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NORTHEAST ASIA

Japan

Ikeda To Visit U.S., Meet With Christopher *[KYODO]* 1
Ikeda, Mondale Meet, Reaffirm Bilateral Ties *[KYODO]* 1
Ikeda Discusses U.S. Bases, Rice to DPRK *[ASAHI SHIMBUN 14 Jan]* 1
Leaders View Security Arrangement With U.S. 2
    Usui: Understand 'Importance' *[[KYODO]* 2
    Ikeda: 'Vitally Important' *[KYODO]* 3
    Kajiyama: Treaty 'Necessary' *[KYODO]* 3
Hashimoto Phones Clinton, ROK President *[KYODO]* 4
Tsukahara: Kantor 'Consistent,' 'Respectable' *[KYODO]* 4
Hashimoto on Ties With U.S., Bases on Okinawa *[KYODO]* 4
Demonstrators in Nagoya Demand Base Cutbacks *[KYODO]* 5
Official: U.S. Presence 'May Be Reduced' *[KYODO]* 5
'Sources': Hashimoto To Meet Okinawan Governor *[KYODO]* 6
Tokyo, Seoul Reiterate 'Future-Oriented' Ties *[KYODO]* 6
Hashimoto Not Decided on Yasukuni Shrine Visit *[KYODO]* 6
Ikeda To Meet With Russian Defense Minister *[KYODO]* 6
Exchanges Among Regional Defense Staff Stressed *[KYODO]* 7
Article Reviews Asian Military Threats *[AERA 15 Jan]* 7
Hashimoto Speaks at News Conference 12 Jan *[Tokyo TV]* 10
    Urges Structural Reforms *[KYODO]* 18
Cabinet Names 23 Parliamentary Vice Ministers *[KYODO]* 19
Ministers on Cabinet's Tasks, Ties With U.S. *[Tokyo TV]* 19
Hashimoto Cabinet Receives 59/% Approval Rating *[KYODO]* 20
Further on Kajiyama's News Conference *[Tokyo TV]* 21
Tsukahara Advocates 'Propping Up' Economy *[KYODO]* 22
KYODO Interviews Finance Minister Kubo 23
Posts Minister 'Timid' on NTT Split *[KYODO]* 24
Government Decides FY96 Tax System Reforms *[KYODO]* 24
Corporate Confidence Improving 'Noticeably' *[KYODO]* 24
EPA: Production 'Showing Signs of a Recovery' *[KYODO]* 25
EPA Head To Seek Structural Reform of Economy *[KYODO]* 26
Tokyo To Abandon Satellite if U.S. Fails *[KYODO]* 26

North Korea

Third KEDO Site Inspection Team Departs *[Pyongyang Radio]* 27
Fourth KEDO Site Inspection Team Arrives *[Pyongyang Radio]* 27
U.S.-Japan Exercise 'Keen Edge 96' Denounced *[KCNA]* 27
Commentary Denounces U.S.-Japan Military Ties *[KCNA]* 28
U.S.-Japan Military 'Collusion' Denounced *[Pyongyang Radio]* 28
Gingrich's 'Misappropriation of Funds' Viewed *[Pyongyang Radio]* 29
CPRF Information Denounces U.S. Actions *[KCNA]* 29

Commentary on U.S. 'War' Maneuver Reported *[Pyongyang Radio]* 30
    'Egging' ROK To Invade North *[KCNA]* 31
'Premeditated Military Provocations' by U.S. *[KCNA]* 31
U.S. Urged To Establish Peacekeeping Mechanism *[KCNA]* 31
U.S. Nuclear Sub, ROK Conduct Joint Exercises *[Pyongyang Radio]* 32
    U.S. Submarine Visit to ROK Viewed *[illegible]ongyang Radio]* 32
    Antisubmarine Exercises Criticized *[K[illegible]A]* 33
    'U.S. Nuclear Threat' Viewed *[KCNA]* 33
U.S., ROK Conduct 'Aerial War Exercises' *[KCNA]* 34
U.S., ROK Statements on DPRK 'Threat' Noted *[KCNA]* 34
Kim Yong-sam New Year Remarks on North Decried *[Pyongyang Radio]* 35
ROK 'Military Provocations' in DMZ Denounced *[KCNA]* 35
    'Gravely Threatening' Policemen *[Pyongyang Radio]* 36
Talk Claims ROK 'War Frenzy' Reaches 'Extreme' *[Pyongyang Radio]* 37
CPRF Denounces ROK's Military Maneuvers *[KCNA]* 38
ROK Defense Minister Yi's Remarks Denounced *[KCNA]* 38
    Criticized for 'Violent Remarks' *[Pyongyang Radio]* 39
ROK Remarks on 'Exaggerated' Damages Viewed *[KCNA]* 39
British Against 'Whipping Up War Fever' in Korea *[KCNA]* 40
Daily Urges Japan To Liquidate 'Past Crimes' *[Pyongyang Radio]* 40
Ambassador to PRC Holds News Conference 3 Jan *[Pyongyang Radio]* 42
'All Relief Goods' Offered by PRC Arrive *[KCNA]* 42
Kim Chong-il Sends Thanks to Units, Officials *[KCNA]* 42
Kim Cited on 'Moral Obligation of Revolutionaries' *[KCNA]* 42
Kim Urges Children To Be 'Rifles,' 'Bombs' *[KCNA]* 43
Kim Il-song Cited on 'Great National Unity' *[KCNA]* 43
Public Security Ministry Servicemen Hold Rally *[Pyongyang Radio]* 44
    Vow To Fully Discharge Mission *[KCNA]* 44
Events Marking 50th Anniversary of LSWYK Noted *[KCNA]* 45
    Kim Chong-il's Remarks Cited *[KCNA]* 45
Efforts To Implement Economic Strategy Lauded *[KCNA]* 46
Party-Building, Leadership Continuity Discussed *[NODONG SINMUN 7 Nov]* 47

South Korea

U.S. Accused of 'Castigating' Copyright Law *[THE KOREA TIMES 9 Jan]* 48
'Informed Source' on North, U.S. Secret Talks *[YOMIURI SHIMBUN 6 Jan]* 49
Report on Secret U.S.-DPRK Pact Denied *[YONHAP]* 49
DPRK's Improved Relations With U.S. Viewed *[SEOUL SINMUN 6 Jan]* 50
U.S. Move To Lift Sanctions on DPRK Viewed *[CHUNGANG ILBO 9 Jan]* 50
U.S. Ambassador Laney on U.S.-DPRK Ties *[THE KOREA TIMES 10 Jan]* 51
Daily Analyzes Emergence of Military in DPRK *[SEOUL SINMUN 8 Jan]* 52
Russian Reporter Describes Life in Pyongyang 53
    First Installment *[KYONGHYANG SINMUN 6 Jan]* 53
    Second Installment *[KYONGHYANG SINMUN 7 Jan]* 55
Russians Deny DPRK Citizens 'Fleeing' to PRC *[HANGYORE SINMUN 6 Jan]* 57
Food Shortage in DPRK Viewed From PRC City *[TONG-A ILBO 5 Jan]* 57
Government Prepares Guidelines for Aid to DPRK *[HANGUK ILBO 6 Jan]* 57
Foreign Minister: North Food Crisis Not Serious *[YONHAP]* 58
DPRK Resumes Sending Ships to Japan for Rice *[YONHAP]* 58
Impact of Hashimoto's Rise on Ties With Japan *[THE KOREA HERALD 12 Jan]* 58
Portillo: UK To Transfer Defense Technology *[THE KOREA HERALD 6 Jan]* 59
British Engine for Self-Propelled Guns Rejected *[THE KOREA TIMES 6 Jan]* 60
Kim Yong-sam Gives New Year Policy Speech *[Seoul TV]* 60

Acknowledgement of Funding Noted *[YONHAP]* 64
Political Parties React to Speech *[YONHAP]* 64
Dailies Comment on Policy Speech *[CHOSON ILBO 10 Jan, etc.]* 65

SOUTHEAST ASIA

Burma

Shan Mutineers Vow To Struggle Against Rangoon *[THAILAND TIMES 6 Jan]* 67
Rangoon Troops' Arrival at Khun Sa Base Viewed *[BurmaNet News]* 67
Tin U Welcomes MTA's Return to 'Legal Fold' *[Rangoon TV]* 68
Surrender of Arms by Khun Sa Troops Detailed *[Rangoon TV]* 68
Government Moves Troops Against Karenni Forces *[AFP]* 69
Aung San Suu Kyi Praises Dance Troupe *[AFP]* 69

Brunei, Malaysia & Singapore

Malaysia

Costs, Duties of Bosnian Peacekeepers Disclosed *[THE STAR 15 Jan]* 70
Mahathir Hosts Banquet for Australia's Keating *[THE STAR 16 Jan]* 70
Canberra Asked Not To Interfere With Sovereignty *[Kuala Lumpur TV]* 71

Cambodia

King Discusses U.S. Statement Denying Coup Role *[REAKSMEI KAMPUCHEA 11 Jan]* 71
Minister Receives U.S. Official Winston Lord *[Phnom Penh Radio]* 72
U.S. State Official Lord's Visit Discussed *[Phnom Penh Radio]* 72
Khmer Rouge Criticizes Commander Bramlett's Visit *[Radio PGNUNS]* 73
U.S. Urged To Stop 'Brownnosing' Vietnam *[Radio PGNUNS]* 74
Sihanouk Plans To Visit PRC for Medical Check *[Phnom Penh Radio]* 74
KNP Fears Attack Against Founder Rangsi *[AFP]* 74
Khmer Rouge Shellings Kill Four in Poipet *[AFP]* 75

Indonesia

East Timorese Youths Enter New Zealand Embassy *[AFP]* 75
  East Timorese Remain at Embassy *[AFP]* 76
East Timor Women Asylum Seekers Issue Statement *[INDONESIA Listserv]* 76
  Asylum Seekers Depart for Portugal *[AFP]* 77
Resistance Details Asylum Bid at Embassy *[INDONESIA Listserv]* 78
Troops Search for Kidnap Victims *[Melbourne International]* 78
  Further on Search for Kidnapped *[AFP]* 78
Abductors Select German National as 'Mediator' *[Jakarta Radio]* 79
Military Refuse To Recognize German as 'Mediator' *[Jakarta Radio]* 80
Troops Free 11 Hostages in Irian Jaya *[Melbourne International]* 80
Military Officer, Legislator on Kidnappings *[Jakarta Radio]* 80
Military Offers 'Safe Passage' to Kidnappers *[AFP]* 81
Military Confirms Rescue of 11 Hostages *[Jakarta Radio]* 82
Military Continues Hunt for Kidnappers *[Jakarta Radio]* 82
Rebels Reportedly Demand Plane, Pilot *[Melbourne International]* 83
Missionaries Negotiating for Release of Hostages *[AFP]* 83
European Hostages Reportedly Treated Well *[AFP]* 83
German Hostage Released by 'Rebel Group' *[AFP]* 84
Irian Jaya Hostages Reportedly in 'Good Health' *[MERDEKA 15 Jan]* 84

Kidnappers Release German Hostage 'Temporarily' *[Berlin TV]* 85
German Hostage Reports Hostages 'Safe' 'Healthy' *[AFP]* 85
Released German Hostage Reportedly 'Traumatized' *[Melbourne International]* 86
Military To 'Do Its Best' To Free Hostages *[Jakarta Radio]* 86
Paper Applauds Military Effort With Hostages *[Jakarta Radio]* 87
Editorials View Hostage Crisis in Irian Jaya *[KOMPAS 15 Jan, etc.]* 87

Philippines

Plot To Kill Ramos, Terror Activities Revealed *[Quezon City Radio-TV]* 88
Suspected International Terrorists Identified *[PHILIPPINE DAILY INQUIRER 11 Jan]* 88

Thailand

Minister on Nuclear Treaty, Ex-MP's Extradition *[BUSINESS DAY 15 Jan]* 89
Thanong's Court Petition Impedes Extradition *[THE NATION 11 Jan]* 90
Ex-MP's Lawyers To Protest Rejection of Petition *[THE NATION 12 Jan]* 90
Official on Extradition of Thanong to U.S. *[THAILAND TIMES 13 Jan]* 91
Coordination for Thanong's Extradition Sought *[XIN ZHONG YUAN RIBAO 13 Jan]* 91
Minister Comments on U.S. Request on Khun Sa *[BANGKOK POST 16 Jan]* 91
'Latest' Thai-Burma Border Developments Viewed *[THAN SETTHAKIT 16 Jan]* 91
Khun Sa Explains Reasons for Surrender *[THAILAND TIMES 13 Jan]* 92
Karenni Units Recapture Hill From Burmese *[BANGKOK POST 11 Jan]* 93
Air Force Confirms Need for U.S.-Made F-18's *[THAILAND TIMES 12 Jan]* 93
Pilot Killed in Jet Crash, Cause Unknown *[Bangkok TV]* 94

Vietnam

Communique: National Assembly To Meet in Mar *[Hanoi Radio]* 94
Party Congress Documents Summarized, Pt 2 *[NHAN DAN 12 Dec]* 95
Eighth National Party Congress Preparation Urged *[TAP CHI CONG SAN Dec]* 97
State Inspection Report Views Cement 'Crisis' *[HANOI MOI 11 Sep]* 98

AUSTRALASIA

Australia

Another Businessman Jailed in China *[Melbourne International]* 102
Singapore's Goh Supports ASEAN Membership *[Melbourne International]* 102
Minister: Hashimoto 'Great Plus' for APEC *[Melbourne International]* 102
Impact on Trade Relationship With Tokyo Viewed *[Melbourne International]* 102
Defense Force Streamlines Command Structure *[Melbourne International]* 103

New Zealand

McKinnon Says East Timorese To Go to Portugal *[Melbourne International]* 103
Envoy to Philippines To Remain Despite Threats *[THE PRESS 11 Jan]* 103
Editorial Views Alleged Plot Against Envoy *[THE PRESS 11 Jan]* 104

Tonga

King Appoints New Police, Immigration Minister *[AFP]* 105

Japan

Ikeda To Visit U.S., Meet With Christopher

*OW1501040796 Tokyo KYODO in English
0353 GMT 15 Jan 96*

[FBIS Transcribed Text] Tokyo, Jan. 15 KYODO — New Foreign Minister Yukihiko Ikeda will leave Thursday [18 January] for the United States for talks Friday with Secretary of State Warren Christopher, Foreign Ministry officials said Monday.

Ikeda will also pay a courtesy call on President Bill Clinton and consult with Defense Secretary William Perry before returning to Tokyo on Sunday, the officials said.

Ikeda's talks with the U.S. leaders are expected to focus on Clinton's April 16-18 state visit to Japan, the issue of U.S. troops in Okinawa and other parts of Japan as well as other security, political and economic problems. Prime Minister Ryutaro Hashimoto and Clinton are expected to issue a joint statement on Japan-U.S. security relations during the President's official visit to Tokyo in April.

During his meeting with Clinton this week, Ikeda will relay the importance that the Hashimoto Government attaches to the security alliance between the two countries, the Foreign Ministry officials said.

Christopher and then Foreign Minister Yohei Kono were to meet in Paris on Jan. 9, but the meeting was canceled because of the resignation of Prime Minister Tomiichi Murayama and his cabinet.

Ikeda, Mondale Meet, Reaffirm Bilateral Ties

*OW1601073596 Tokyo KYODO in English
0710 GMT 16 Jan 96*

[FBIS Transcribed Text] Tokyo, Jan. 16 KYODO — Foreign Minister Yukihiko Ikeda and U.S. Ambassador to Japan Walter Mondale on Tuesday [16 January] reaffirmed the importance of bilateral relations between their two countries prior to Ikeda's trip to the United States later this week.

The two men shared the view when Mondale paid a courtesy call on Ikeda, who took up the foreign ministerial portfolio in the newly formed administration of Prime Minister Ryutaro Hashimoto, a foreign ministry official told reporters.

During the 40-minute talk, Ikeda said he wants to make his U.S. trip, which starts Thursday, meaningful in terms of preparation for U.S. President Bill Clinton's state visit to Japan in April, the official said.

Ikeda is scheduled to confer with Secretary of State Warren Christopher and Defense Secretary William Perry on Friday.

Mondale said Ikeda's journey will be a "good start" for the Hashimoto administration to further strengthen bilateral ties with the U.S., according to the official.

Ikeda Discusses U.S. Bases, Rice to DPRK

*OW1601015796 Tokyo ASAHI SHIMBUN
in Japanese 14 Jan 96 Morning Edition p 2*

[Interview with Foreign Minister Yukihiko Ikeda by an unidentified ASAHI SHIMBUN reporter; place and date not given]

[FBIS Translated Text] [Reporter] This is the first time you have assumed the foreign ministerial post. How would you like to promote diplomacy?

[Ikeda] (Former Prime Minister Kiichi) Miyazawa told me that it (who would assume what posts) was as unpredictable as a roulette wheel. I feel a heavy responsibility since I am now in a position to think of the future of Japan and the world. But at the same time, I feel happy. I do not have a wild idea of making great achievements.

[Reporter] U.S. President Bill Clinton is scheduled to visit Japan in April. Meanwhile, the government has to tackle the major task of reducing and consolidating U.S. military bases on Okinawa. How are you going to deal with this issue?

[Ikeda] Both Japan and the United States have agreed that the two nations should reaffirm the importance of the bilateral security treaty and make efforts to attain the pact's objectives. The government established a forum to hear the Okinawan residents' opinions. It also set up a special committee for in-depth discussions between Tokyo and Washington. While taking into account the debate at the forum and the committee, the government should work to make the April Japan-U.S. summit meeting fruitful.

[Reporter] Is there a possibility that some U.S. military bases on Okinawa will be relocated to mainland Japan?

[Ikeda] The government intends to study measures to settle the Okinawa problems from various angles, including those that have been left untouched because of the difficulty in solving them. However, we are not yet ready to indicate any concrete measures.

[Reporter] Currently, 47,000 U.S. troops are stationed in Japan. Will the government make a request for reducing the number?

[Ikeda] Asian countries have acknowledged that the U.S. military presence is imperative for Asia. Under such circumstances, the United States has launched a policy of maintaining 100,000 troops in the region and 47,000 in Japan. Mindful of this, Japan has held talks with the United States. At present, the government has no intention of asking the United States to 'alter' or 'reduce' the number of U.S. troops stationed in Japan. If the security environment in this region changes, various opinions will crop up. However, I do not think the reduction of the U.S. military strength in Japan will become a topic in the near future.

[Reporter] Okinawa demands the revision of the Japan-U.S. Status of Forces Agreement.

[Ikeda] I believe improving the implementation of the accord will help solve many problems. I would like to first make efforts to improve the implementation of the pact, rather than just revising it.

[Reporter] France and the PRC plan to continue nuclear testing this year. How should Japan deal with this?

[Ikeda] Last year, Japan took the initiative in adopting a UN resolution calling for an end to nuclear tests. It also repeatedly made strong protests against the nuclear experiments by France and the PRC. We intend to continue to take this line. This year, Japan will take the initiative in promoting negotiations at the United Nations for the early conclusion of the Comprehensive Test Ban Treaty (CTBT).

[Reporter] Japan has already frozen its FY95 grants-in-aid to the PRC. If Beijing continues nuclear testing, will the government go so far as to reduce yen loans to the country?

[Ikeda] If Beijing conducts nuclear experiments during FY96, Japan will continue to freeze its grants-in-aid. However, as for yen loans, we have to take into consideration the importance of Japan, as a neighboring country, in helping the PRC to promote nation-building under its reform and open-door policies.

[Reporter] The PRC and ROK are watching Japan to see whether or not the inauguration of the Hashimoto cabinet will affect Japan's historical views.

[Ikeda] The three ruling parties supported the Murayama cabinet's diplomacy toward neighboring countries. Thus, it is natural for the Hashimoto coalition government to adopt the same policy.

[Reporter] Negotiations with the DPRK on normalizing diplomatic ties have yet to be resumed.

[Ikeda] We have to correct the current abnormal relations with the DPRK. It is also important for Japan to contribute to the stability of the Korean peninsula. Japan needs to help promote dialogue between North and South Korea. We will do such things while keeping in close contact with the ROK.

[Reporter] Will the government extend more food aid to the DPRK?

[Ikeda] Japan extended rice aid twice last year. The aid was kind of special; it was given on humanitarian grounds. But not all the grains have reached the DPRK [people]. So, at present, the government has no intention of considering the provision of additional aid.

Leaders View Security Arrangement With U.S.

Usui: Understand 'Importance'

OW1501082696 Tokyo KYODO in English 0808 GMT 15 Jan 96

[FBIS Transcribed Text] Tokyo, Jan. 15 KYODO — New Defense Agency chief Hideo Usui called on the Japanese people in a recent interview to thank Okinawa for the hardships it has borne for the sake of Japanese security since the end of World War II.

Usui, the agency's director general in the newly formed cabinet of Prime Minister Ryutaro Hashimoto, also urged people to understand the importance of the Japan-U.S. security arrangement.

In an interview with KYODO news, Usui said, "the people of Okinawa have suffered for 50 years since the end of the war while Japan has been prosperous and secure. We must have a feeling of gratitude for their hardships while protecting the security of Japan and share their pain."

Usui explained that some agreements concerning consolidation and reduction of the U.S. military bases in Okinawa have been reached, adding that he hoped it can be realized as quickly as possible.

"At the same time, I want to give my best efforts in obtaining the understanding of people concerning the importance of the Japan-U.S. security arrangement," said Usui.

He maintained that even in the post-Cold War world the arrangement should be supported in view of the East Asian stability and as the core of Japan-U.S. cooperation.

Usui said he hoped to visit Okinawa in the near future to meet with Gov. Masahide Ota. The governor and several landowners oppose the forced leasing of land to the U.S. military.

Usui said he was aware of the reports of large-scale military movements in North Korea, but added that he did not think they would make any huge display of military might in the near future.

He also said that with the end of the Cold War, he wanted to see defense exchanges with Russia and a "step-by-step deepening of understanding."

Ikeda: 'Vitally Important'

OW1201122296 Tokyo KYODO in English 1208 GMT 12 Jan 96

[FBIS Transcribed Text] Tokyo, Jan. 12 KYODO — The security alliance between Japan and the United States is vitally important to peace and stability in the Asia-Pacific region, new Foreign Minister Yukihiko Ikeda said Friday [12 January].

"The Japan-U.S. security regime is very important to secure peace and stability in the Asia-Pacific region in the post-Cold War era," Ikeda said in an interview.

Touching on the scale of the U.S. military presence in Japan, the new foreign minister said Tokyo has no intention of seeking a cut in the total number of U.S. troops stationed in Japan.

"As far as the presence issue is concerned, we have no plan to urge its reduction, at least for now," said Ikeda. "I don't think it (the idea of scaling down the U.S. troops in Japan) will be a major issue in the foreseeable future."

The U.S. deploys 100,000 troops in East Asia, of which 47,000 are stationed in Japan.

U.S. President Bill Clinton is scheduled to come to Japan as a state guest in April. In their summit meeting, Prime Minister Hashimoto and Clinton will reaffirm the importance of the bilateral security alliance and issue a joint statement on the regime.

Japan-U.S. relations have been strained since the rape of a 12- year-old schoolgirl in Okinawa last September, for which three American servicemen are currently on trial.

Asked about Japan's possible permanent membership on the UN Security Council, Ikeda said the nation ought to play a larger role within the 185-member world body.

But he hastened to note that Tokyo also needs the Japanese people's understanding, support from other Asian nations and a clearer picture of UN reform.

The three parties in prime minister Ryutaro Hashimoto's coalition government have reaffirmed in their policy agreement a cautious stand on Japan's bid for permanent membership on the powerful UN Council.

While hoping for an early resumption of negotiations on the normalization of relations with North Korea, Ikeda said it may take more time for the two countries to lay the groundwork.

Normalization talks have been stalled since November 1992.

Turning to economic issues, Ikeda observed that Japan's often acrimonious trade ties with its biggest trading partner, the United States, are not so strained as previously, citing Japan's fast- decreasing trade surplus.

But he indicated the need for further surplus-cutting efforts, saying, "(Japan's trade surplus) has been slashed drastically, but it still remains huge."

On the Dec. 9-13 ministerial meeting of the World Trade Organization (WTO), Ikeda said Japan played a key role in launching the global trade watchdog, which replaced the General Agreement on Tariffs and Trade on Jan. 1, 1995.

But the foreign minister declined to comment on specifics of the anticipated start of a new round of multilateral trade negotiations.

The previous series of talks — Uruguay Round — were concluded in December 1993 after seven years of wrangling among member states over such sticky issues as agriculture.

Kajiyama: Treaty 'Necessary'

OW1201111296 Tokyo KYODO in English 1036 GMT 12 Jan 96

[FBIS Transcribed Text] Tokyo, Jan. 12 KYODO — Providing open information and pursuing the question of responsibility are "preconditions" for implementing the controversial government scheme to use 685 billion yen of taxpayers' money to liquidate seven troubled housing loan companies, new Chief Cabinet Secretary Seiroku Kajiyama said Friday [12 January].

In a joint interview with the press, the top government spokesman said he was initially critical of the use of public money.

"I am not saying it should not be done, but (using public money) needs preconditions. As a member of the cabinet, I will try to clarify and resolve the issue with that thought in mind," Kajiyama said.

Asked if new Prime Minister Ryutaro Hashimoto bears some responsibility for the de facto bankruptcy of the mortgage companies because of his jurisdiction over such matters when serving as finance minister between August 1989 and October 1991, Kajiyama said he does not think Hashimoto committed any errors.

However, Kajiyama suggested that some Finance Ministry bureaucrats may have contributed to the problem through laxness when they dealt with the matter.

Turning to Japan's relations with the United States, Kajiyama said the Japanese public should understand that the Japan-U.S. security treaty is necessary, despite worries aroused by the abduction and rape of a 12-year-old schoolgirl in Okinawa last September, for which three U.S. servicemen are on trial.

Kajiyama also said the House of Representatives should not be dissolved until as close as possible to summer 1997, the end of the four-year terms of lower house parliamentarians, because the future state of politics, the economy and society cannot be foreseen.

He criticized the fact that although Japanese politicians began discussing political reform in the wake of corruption scandals, the debate has shifted to changing the electoral system.

Kajiyama opposed the introduction of the new lower house electoral system, which will be used at the next general election, saying the Japanese people had not been directly consulted about it during the 1993 election.

Hashimoto Phones Clinton, ROK President

OW1201042596 Tokyo KYODO in English
0355 GMT 12 Jan 96

[FBIS Transcribed Text] Tokyo, Jan. 12 KYODO — Prime Minister Ryutaro Hashimoto phoned U.S. President Bill Clinton and South Korean President Kim Yong-sam on Friday [12 January] as he began the first day of his work as Japan's new head of government.

Hashimoto first called the White House and told Clinton that he will try hard to resolve the issue of U.S. military bases in Okinawa, officials said.

"Maintaining the bilateral security treaty is basic to Japan-U.S. relations," the 58-year-old premier was quoted as saying.

Clinton told Hashimoto that he is looking forward to meeting him when he visits Japan in April, adding that building a personal relationship is important for the two leaders, the officials said.

Ties between Tokyo and Washington have been soured by the rape of an Okinawa schoolgirl in September, for which three U.S. servicemen are on trial, and subsequent calls for reduction in the heavy U.S. military presence in the southwestern island prefecture.

Hashimoto then called Seoul to tell Kim that he will do his best to promote the bilateral relationship. He promised Kim that Japan will keep close contacts with South Korea in handling issues related to North Korea.

Kim invited Hashimoto to visit South Korea at an early date, and Hashimoto replied that he would do so, the officials said.

Tsukahara: Kantor 'Consistent,' 'Respectable'

OW1201081996 Tokyo KYODO in English
0805 GMT 12 Jan 96

[FBIS Transcribed Text] Tokyo, Jan 12 KYODO — International Trade and Industry Minister Shumpei Tsukahara said Friday [12 January] the new government will strive to pass the fiscal 1996 budget through the Diet smoothly and make continual commitments to make structural reforms in the economy.

"Despite still difficult conditions for small businesses, the overall economy is turning for the better, with economic indicators showing some bright spots," Tsukahara said in a joint press interview with KYODO news and other media companies.

"It takes strenuous efforts to prod the economy to take off to a certain level. We must make sure it will not hit ground level again," Tsukahara said, referring to the need for a smooth adoption of the budget and structural reform efforts.

On the Large-Scale Retail Stores Law, which is due for review in fiscal 1997 as part of the government's deregulatory drive, Tsukahara said he has yet to decide what to do with the law. "I will collect regional (retail) information to grasp the situation," he said.

Heavyweight retail companies as well as the United States and other foreign governments are calling for a repeal of that law which regulates the opening and operation of large retail outlets, claiming it effectively is for the protection of small local merchants.

Asked about U.S. Trade Representative Mickey Kantor, Tsukahara quoted Prime Minister Ryutaro Hashimoto, the former trade minister who formally transferred the office to Tsukahara on Friday, as saying Kantor is a consistent and respectable person.

"I am sure he (Kantor) will understand our position if it is right," Tsukahara said.

Hashimoto on Ties With U.S., Bases on Okinawa

OW1201071296 Tokyo KYODO in English
0646 GMT 12 Jan 96

[FBIS Transcribed Text] Tokyo, Jan. 12 KYODO — Newly elected Prime Minister Ryutaro Hashimoto said

Friday [12 January] his cabinet will aim at reforming Japan's political, administrative and economic systems.

"The systems which have sustained Japan for the past 50 years now need to be drastically changed," said Hashimoto in his first press conference since assuming the top government post Thursday.

"I think this year will be the starting year for changing Japan's main structures," he said.

The 58-year-old premier also said he will try hard to make Japan's economy strong again.

Concerning the relationship between Japan and the United States, Hashimoto said, "I have always thought and will continue to think that the bilateral relation is the most important diplomatic tie for Japan."

"Needless to say, the Japan-U.S. security treaty is basic to the relationship," he said.

Hashimoto said he hopes the U.S. will understand the "pains of Okinawa" and agree to concentration of U.S. military bases on the island.

Calls have intensified in Okinawa Prefecture for the removal of U.S. bases since the rape last September of an elementary schoolgirl in Okinawa, for which three U.S. servicemen are on trial.

On a controversial plan mapped out by the government of Former Prime Minister Tomiichi Murayama to spend taxpayers' money to liquidate housing loan companies, Hashimoto said the spending of public money is "unavoidable" to restore confidence in Japan's financial system.

Hashimoto is the first premier from the Liberal Democratic Party (LDP), the largest party in the three-party ruling coalition, in two and a half years.

Demonstrators in Nagoya Demand Base Cutbacks

OW1401093096 Tokyo KYODO in English 0920 GMT 14 Jan 96

[FBIS Transcribed Text] Nagoya, Jan. 14 KYODO — Thousands of people, including some from Okinawa prefecture, staged a rally and demonstration march in Nagoya, central Japan, on Sunday [14 January] demanding a reduction in U.S. military bases and prevention of crime by U.S. servicemen.

Organizers said some 3,000 people participated in the event, intended to protest the rape of an Okinawa schoolgirl for which three U.S. servicemen are on trial and draw attention to the U.S. military presence, concentrated in the southwestern Japanese island prefecture. The rally adopted a statement calling for U.S. base cutbacks, crime prevention, and apologies and compensation for the rape victim.

"I want you to know about Okinawa," said Masashi Tokuchi, head of an association of Okinawans living in Aichi prefecture. "Let's join hands (in efforts to eliminate the U.S. bases)."

An assemblywoman from the Okinawan capital of Naha told the gathering that local people cannot rely on U.S. pledges to tighten discipline among servicemen stationed in Japan.

"First of all, we need to have the (U.S.) troops withdrawn," added Suzuyo Takasato, drawing applause from the participants.

Shuden Teruya, one of the landowners in the city of Okinawa opposed to leasing land to the U.S. military, urged cooperation in demanding elimination of bases and abolition of the Japan-U.S. security treaty.

Official: U.S. Presence 'May Be Reduced'

OW1201105796 Tokyo KYODO in English 1049 GMT 12 Jan 96

[FBIS Transcribed Text] Tokyo, Jan. 12 KYODO — A high-ranking Foreign Ministry official hinted Friday [12 January] the U.S. military presence in Japan may be reduced in the future, depending on the security situation surrounding Japan.

"It's natural that there will be a change in the military presence if the international situation changes drastically," Vice Foreign Minister Sadayuki Hayashi said in a speech at the Japan National Press Club.

However, Hayashi did not clarify what would constitute drastic change.

Under the Japan-U.S. security treaty, 47,000 U.S. troops are stationed in Japan, of which some 30,000 are stationed on the southwestern Japanese island of Okinawa.

Hayashi noted that Japan will promote a reduction and consolidation of U.S. bases in Okinawa, home to 75 percent of U.S. military facilities in Japan when measured by land space.

He stressed the need for a special bilateral panel to produce tangible progress by April when U.S. President Bill Clinton visits Japan.

Turning to relations with South Korea, Hayashi acknowledged that the bilateral ties were strained last year over Japan's policy toward North Korea and Japan's historical position on its 1910-1945 colonial rule of the Korean peninsula.

As for Japan's rice aid to North Korea, Hayashi said Japan had made a mistake in extending rice aid to Pyongyang which left Seoul dissatisfied, a remark apparently referring to a lack of prior consultations with South Korea over the issue.

On Sino-Japanese relations, Hayashi said Japan has not halted official yen loans to China in protest against China's nuclear testing because Tokyo believes it is important to help maintain China's open-door policy.

Hayashi gave support to China's entry into the World Trade Organization. "It's important to let it come in even if conditions are not necessarily all met," he said.

'Sources': Hashimoto To Meet Okinawan Governor

OW1301113296 Tokyo KYODO in English 1126 GMT 13 Jan 96

[FBIS Transcribed Text] Tokyo, Jan. 13 KYODO — Prime Minister Ryutaro Hashimoto will meet Okinawa Gov. Masahide Ota as early as Jan. 23 to discuss U.S. bases there, government sources said Saturday [13 January].

In November, then Prime Minister Tomiichi Murayama met Ota in a vain attempt to break the deadlock over the governor's refusal to sign documents necessary for the continued leasing of land to U.S. forces stationed on the southwestern Japanese island.

The governor has refused to sign the documents for the lease of a total of 35,000 square meters of land owned by 35 Okinawa residents, since the rape of a local schoolgirl in early September for which three U.S. servicemen have been indicted.

The incident sparked fierce opposition among the Okinawa people against the U.S. military presence in the prefecture, located about 1,600 kilometers southwest of Tokyo and home to some 75 percent of U.S. military facilities in Japan.

In December, Murayama filed a lawsuit against Ota seeking a court order for the governor to sign the documents required to force unwilling landowners in Okinawa to renew their leases with the U.S. military.

Ota has indicated he has no plans to sign the documents, even if ordered by the court, leaving the prime minister to sign the papers and then order Okinawa's land expropriation committee to provide the land.

Contracts for the use of some of the land by the U.S. military bases expire at the end of March.

Tokyo, Seoul Reiterate 'Future-Oriented' Ties

OW1201120196 Tokyo KYODO in English 1148 GMT 12 Jan 96

[FBIS Transcribed Text] Tokyo, Jan. 12 KYODO — New Foreign Minister Yukihiko Ikeda on Friday [12 January] reaffirmed the need with his South Korean counterpart Kong No-myong to build "future-oriented" bilateral relations between their two countries.

During a 10-minute telephone talk, Ikeda said Japan views its ties with Seoul as a key pillar of its foreign policy and continues to pursue more friendly ties, a Foreign Ministry official told reporters.

Ikeda telephoned Kong after taking the foreign ministerial portfolio in the newly formed administration of Prime Minister Ryutaro Hashimoto.

While Kong expressed hope Ikeda will pay an early visit to South Korea, Ikeda replied he wants to do so in consideration of his schedule, the official said.

Ikeda told Kong that Japan will keep in close touch with South Korea before pushing for its own policy on North Korea, with which it has no diplomatic relations, the official said.

Hashimoto Not Decided on Yasukuni Shrine Visit

OW1201115096 Tokyo KYODO in English 1141 GMT 12 Jan 96

[FBIS Transcribed Text] Tokyo, Jan. 12 KYODO — New Prime Minister Ryutaro Hashimoto said Friday [12 January] he has not decided whether to visit Shinto's Yasukuni Shrine which enshrines Japanese war dead, including war criminals, and asked reporters not to ask him about the issue.

Responding to a question if he will visit the shrine on Aug. 15 this year, to which he has paid annual visits, Hashimoto said, "it doesn't matter whether it is official or unofficial, it is a matter of my mind. I want you to leave me alone. Honestly speaking, I have not decided yet."

Some Chinese and South Koreans are concerned whether Hashimoto is inclined to justify Japan's invasion and colonization in Asia before and during World War II with his annual Yasukuni visits and his previous remarks about Japan's wartime actions.

Ikeda To Meet With Russian Defense Minister

OW1301083196 Tokyo KYODO in English 0753 GMT 13 Jan 96

[FBIS Transcribed Text] Tokyo, Jan. 13 KYODO — The government plans to send Foreign Minister Yukihiko Ikeda to Moscow before a planned meeting between Prime Minister Ryutaro Hashimoto and Russian President Boris Yeltsin in April, government sources said Saturday [13 January].

Hashimoto is scheduled to meet Yeltsin when he visits Moscow for an international meeting on nuclear safety to be held April 19-20.

The government will dispatch Ikeda for talks with new Russian Foreign Minister Yevgeniy Primakov, who takes office Tuesday replacing Andrey Kozyrev, because Japan wants to resume political dialogue with Russia through a bilateral ministerial meeting, the sources said.

Ikeda and 19 other ministers were appointed to their posts Thursday by Hashimoto, who was elected premier earlier that day.

Primakov, former head of Russia's foreign intelligence service, is known to have a deep knowledge of Japanese affairs.

He told a press conference Friday that Tokyo and Russia should shelve the bilateral dispute over the sovereignty of four Russian-held islands off Japan's northernmost main island of Hokkaido.

The dispute has prevented Tokyo and Moscow from signing a peace treaty formally ending hostilities.

The government does not plan to pursue the territorial row too tenaciously during Hashimoto's and Ikeda's upcoming meetings with the Russian side, but they will express Japan's continued support for Yeltsin and his reform policies to assist his reelection bid in a presidential election in June, the sources said.

Tokyo hopes Yeltsin will be reelected to stabilize his political power base so that he can start working to improve relations with Japan, the sources said.

However, a Foreign Ministry source said Yeltsin has many difficult problems to tackle, including domestic political confusion and the Chechen conflict, and Japan is "considerably low" on Yeltsin's list of priorities.

Exchanges Among Regional Defense Staff Stressed

OW1401080796 Tokyo KYODO in English 0757 GMT 14 Jan 96

[FBIS Transcribed Text] Tokyo, Jan. 14 KYODO — Japan will promote exchanges among defense officials in the Asia-Pacific region this year, inviting the Chinese and South Korean defense chiefs to Japan and organizing the first meeting of high-level defense officials in the region, officials said Sunday [14 January].

These moves follow Tokyo's new defense program, adopted last year, that calls for promotion of exchanges between Japanese defense officials and their counterparts in neighboring countries as a confidence-building measure, Defense Agency officials said.

The agency hopes the planned meeting of defense officials from more than 10 countries in the Asia-Pacific region, including Australia, Canada, China, South Korea, Russia and the United States, will develop into a ministerial meeting, they said.

The agency plans to formally invite Chinese Defense Minister Chi Haotian when a high-level bilateral defense meeting is held in Beijing on Monday, they said.

The Beijing meeting will be the first of its kind since 1987, when then Japanese Defense Agency chief Yuko Kurihara visited the Chinese capital. Japan suspended defense exchanges with China after the 1989 military crackdown on pro-democracy demonstrators in Tiananmen Square.

Last year, then Defense Agency chief Eishiro Eto invited South Korean Defense Minister Yi Yangho to Japan when he visited Seoul.

The Defense Agency aims to see the Chinese and South Korean defense chiefs visit Japan as early as possible because defense exchanges with the two countries will contribute not only to national security for Japan but also to stability in the Asia- Pacific region as a whole, a senior agency official said.

Article Reviews Asian Military Threats

OW1601143296 Tokyo AERA in Japanese 15 Jan 96 pp 16-17

[Article by AERA editor Shunji Taoka: "Asia's Elements of Instability in 1996 Reviewed; Will There Be An Armed Clash?"]

[FBIS Translated Text] "We are now working hard and patiently to monitor radio communications of North Korean troops. Our people can discern the voices of even their sergeant-grade communications personnel. We can tell from their communications if there have been relocations of the units they are assigned to. We tell our monitors in jest they know more about the North Koreans than about their own wives."

A staff officer of the Defense Agency [DA] chuckled, making this remark. Almost all the people (numbering about 1,400) of the DA's "Special Office of the Intelligence Department" [chosabu betshitsu] with its receiving stations in six sites across the country did not have leave to visit their relatives over the New Year's holidays, and spent their days at their homes ready to run back to their offices should something happen. Japanese intelligence authorities are now on full alert lest something extraordinary should happen in the DPRK (North Korea) which is being threatened by the prospect of a mass famine this year. Intelligence authorities are concerned about the possibility of that country opting to launch an attack on South Korea before it runs out of its food supplies.

North Korea's grain production, riddled by structural problems, has long been inadequate: last years rain and floods compounded an already bad situation. The North Korean authorities have admitted to a UN survey team that the nation harvested only about 2.8 million tons of grains last year, which is about half of what the country needs.

Japan and South Korea have sent 650,000 tons of rice in aid, and North Korea itself has imported about 350,000 tons from China and Thailand. But that amount is not enough to fill in the shortage. UN officials have reported they saw elderly women crawl around already-harvested rice paddies in search of fallen rice grains on the ground. The officials have also reported having seen other signs of famine like bulged bellies of children.

Possibility of Attack on South Cannot Be Ruled Out

In the ROK, there are several views as to when North Korea's food supplies will run out — one predicting they will in March or April, another saying they will in June or July, and so forth. And while the ROK is concerned about the possibility of North Korea making a desperate and final attack on the South before its food supplies run out, North Korean armed forces have started their routine winter- time exercise. According to South Korea's National Security Planning Agency, North Korea now has about 25 Ilyusin-28 light bombers deployed at an advance base in Taetan about 40 km north of the demilitarized zone [DMZ] — a base which is not normally used to station its airplanes. North Korea has also about 70 MiG-17 and -19 fighters deployed at Nuchol-li and Kuum-ni. It has added 140 artillery pieces like 170-mm self-propelled guns to its armament on the front line as well.

The light bombers and fighters, being of the Soviet design of the 1950s, are old models, but since the advance bases where they are deployed are only 100 km away from Seoul, they can fly into it in six or seven minutes. On the other hand, as for the ROK, even if it succeeds in detecting the take-off of the North Korean planes instantly, it will take seven to eight minutes for its fighters to be able to take off and intercept the invading airplanes. Consequently, it will be difficult to perform interception operations on the first wave of attacking planes, and to prevent some of the attacking planes, which will have escaped from being shot down by anti-defense missiles, from arriving over Seoul.

The U.S. aircraft carrier Independence (79,200 tons; about 85 planes aboard), based in Yokosuka, and vessels of its escort fleet are due to start an exercise in the Sea of Japan in January, and this exercise is believed to be intended as an intimidation against North Korea to constrain it from starting a war.

The common view of Japanese intelligence officials is:

"Even in case where North Korean forces launch an attack, the U.S. and ROK forces, having a far superior airpower, can bomb Pyongyang and other areas fiercely. And if North Korean troops come out of their bunkers north of the DMZ, they will be thoroughly pounded by aircraft. It would be more natural to think that North Korea is only bluffing as it is afraid that South Korea might attack the North, taking its chance on unrest of the North Korean people over the food shortage problems."

But we cannot deny there are also those officials who think:

"There is the possibility that the view of the North Korean hardliners — that the country should attack the South, leaving to heaven the fate of those who will win, rather than wait for the fate of self-destruction from the imminent big famine — will gain force and prevail."

Arms Development Programs Stalled Because of Funding Problem

In 1993, the rice crop in North Korea suffered from cold-weather damage similar to that experienced in northeast Japan: crop yield was believed to have fallen an average of 10 percent across the country. Rumors even suggested that there were rebellions in some parts of the country: North Korea somehow did overcome that problem. Last year's bad crop situation was a lot worse, with the rice crop said to have fallen by 30 to 40 percent over normal. However, we can recall that China suffered bad crops and big famines for several consecutive years from 1959, which did not shake the communist government much. It will be difficult to predict that a mass famine in North Korea will promptly lead to the collapse of the government there or bring a war to the Korean peninsula.

North Korea in May 1993 conducted one test-firing of its "Nodong- 1" ballistic missile. While the missile was supposed to have a test range of 1,000 km, the test was calibrated for a range of 500 km. There have been no further tests of the missile in the following two and-a-half years. North Korean weapons development programs are believed to have been stalled because of financial and technological problems. It is quite possible that North Korea has extracted from its test-purpose reactors enough plutonium to produce one or two atomic bombs, but it is questionable if the country has been successful in mustering the technology to trigger nuclear bombs. Furthermore, it would be very difficult to make the bombs small enough to be loaded onto the small airplanes or missile warheads North Korea now has.

Nonetheless, if a war breaks out in Korea, Japanese people can get embroiled in it. There are now in South Korea 7,000 Japanese residents — employed workers and their dependents. In addition, on a normal day, there are about 20,000 Japanese tourists visiting that country. It is possible that if atomic power stations in South Korea are attacked and destroyed in a war, radioactive fallout would contaminate Japan. A quarrel between the two brother countries, South and North Korea, both of which happen also to be anti- Japanese, can be fatalistic to both of them, but it can also cause much trouble to Japan.

Gap in PRC-Taiwan Military Power Widens

Another neighbor whose security matter is raising concern in Japan is the presidential election in Taiwan set for 23 March. Taiwan-born President Lee Teng-hui [Li Teng-hui], who is a graduate of Kyoto University in Japan, has pushed for speedy modernization of the Taiwanese armed forces since he came to his office in 1988. Taiwan's defense budget for 1995 of about 1100 billion yen tops the PRC's officially-announced defense budget of 760 billion yen by 45 percent. Insomuch as the GNP per capita of the PRC is $400 as compared with $12,000 of Taiwan, there should be big differences in labor costs and commodity prices. Even considering all that, Taiwan's capabilities to procure weapons are tremendous.

Its Air Force has placed orders for 150 F-16 fighters from the United States and six Mirage-5000 fighters from France plus 103 "Chingkuo" fighters and four large-radar-mounted early-warning E2C airplanes from local manufacturers. While these orders were placed at about the same time, 30 of the "Chenkuo" fighters have been completed, and the E2C planes have been delivered. The F-16 fighters will begin to arrive in July.

The Navy, for its part, has placed orders for eight "Chengkong"- class (named after Cheng Chengkong) 4,100-ton frigates which are based on the U.S.-designed O.H. Perry-class frigates, and 16 French Lafayette-class 3,500-ton frigates. Four of the Chengkong-class frigates have been completed, and the first Lafayette-class frigate is now under test operation in France.

The Army has procured 42 AHIW attack helicopters, and has decided to import some anti-air "Patriot II" missiles which are capable of defending against ballistic missiles.

These modernization programs are targeted for completion by around 1998. If President Lee gets reelected for a third term in March, this will mean that during his term up to 2000, Taiwan will come to command an overwhelming superiority in the naval and air force power over the PRC.

The PRC's military capabilities, meanwhile, have been in decline despite the talk by that country of "expanding arms" and "advancing into the seas."

The main force of its Navy used to be submarines: the Navy had 93 of them in 1990. But that number went down to 44 in 1995; less than half of what it was. Those submarines, which were mass-produced in the 1960s with the technical assistance of the Soviet Union, are now being retired while only a small number of new ones are being procured. China ordered four conventional Kilo-class submarines from Russia, and two of them arrived in 1995. That is about all of its new submarines. As for surface vessels, there were 55 of them in 1990, but the number came down to 50 in 1995. And almost all of the surface vessels in service are old in designs and equipment.

The PRC Air Force currently possesses about 5,000 planes including Soviet 1950s-model MiG-17s, -19s, and -21s and the PRC-modified MiG models. But they are models of forgone days and have passed the serviceable age. The PRC bought 26 Su-27 planes from Russia in 1992 and 1993, and is said to have signed a contract to buy 24 more of them. But a total of 50 new ones against a total of 5,000 to be retired is a drop in the bucket.

Taiwan's Navy and Air Force have been superior to the PRC's for some time. Even in the 1980s when the United States leaned toward the PRC, Taiwan maintained solid air and naval superiority over the Straits of Taiwan, and maintained firm control of Chinmen Island and Matsu Island, the islands reachable by conventional artillery guns on the Chinese mainland. This trend of their military power gap growing is expected to go on until 2000.

In gestures of warning against President Lee's election for a third term, the PRC has conducted a series of naval exercises and landing exercises since the summer of 1995. In July, the PRC fired seven rounds of ballistic missiles into a sea area 140 km north of Taiwan. Then in August, it conducted a nuclear test.

Announcing "if Taiwan declares independence, we will invade the island," the PRC has also televised scenes of troops conducting landing exercises, which is something that country does not do normally.

But still it is obvious that the PRC armed forces have no capabilities to cross the 200-km-wide Straits of Taiwan to launch landing operations. At Taiwan's Legislative Yuan election last December, the "New Party" which proposes accepting Taiwan's reunification with China and is supported by the people from the mainland won only 21 seats or 13 percent of the total seats, which happens to be the percentage of the population of people from the mainland.

"Spratly Islands Fever" Cooling

Another trouble spot in Asia is the Spratly Islands in South China Sea — the area which has been rumored to have oil sources on its sea bottom. Taiwan has long held Taiping Island, the biggest of the islands and the only island which has springs for people to drink from, but Vietnam, the PRC, Malaysia and the Philippines have advanced into the small islands and atolls rather recently and have built barracks for troops where there is no water to drink. Brunei is making claims for territorial rights as well — without troops stationed there.

But the waters around the Spratly Islands are 2,000-meter deep, and these islands are actually tips of sharply pushed-up mountains from the bottom of the sea. Oil exploration experts of Japan noted that the best the present technology can do in digging underwater is to go down 1,000-meter deep. They added it was doubtful to make an exploration effort economically feasible even if digging proved technically possible. Once all the nations involved come to realize this fact, their fever for the islands will cool down. And then they might come to realize they have more to gain from mutual cooperation rather than from confrontation with one another.

Hashimoto Speaks at News Conference 12 Jan

OW1201104796 Tokyo NHK General Television Network in Japanese 0518 GMT 12 Jan 96

[News Conference by Prime Minister Ryutaro Hashimoto at the Prime Minister's Official Residence — live]

[FBIS Translated Text] [Dean of the press corps] We will now begin the news conference. First of all, what will be top priority tasks for the Hashimoto cabinet? Now that an administration has been set up under a prime minister from the Liberal Democratic Party for the first time in two and a half years, I think people expect that effective economic measures will be taken to achieve substantial economic recovery. Mr. Prime Minister, I would like to ask you to give your views on these two points.

[Hashimoto] I assumed the post of prime minister yesterday. To tell the truth, however, I still cannot believe it even now, and when someone calls Mr. Prime Minister, I cannot help but turn round to see where he is.

In case I am asked questions on topics I am unfamiliar with, I have brought some materials with me, and I ask you to forgive me if I refer to them. I greeted the new year with the hope that it could be the first year of structural reform, because the various systems that have supported efforts to build today's Japan over the 50-year post-war period are now seeking to change their ways. I feel this is true not only politically, but administratively, and I feel we have now reached the point where we must carry out a drastic reform of the economic and social structures.

Our cabinet will now start working as a team, therefore the characteristics of this cabinet lie precisely in reform and creation. That is why I have said this cabinet will be one of reform and creation. As we are determined to do our utmost, I would like to request your cooperation.

A question concerning the current economic situation has just been brought up. I am determined to do our utmost to deal with both domestic and foreign affairs based on the new policy accord reached among the three ruling parties. We would like to act to ensure that the economy recovers as soon as possible. To do so, we will have to rebuild the Japanese economy into a powerful one.

In concrete terms, our urgent tasks are to have the draft fiscal 1996 budget bill as well as bills connected with fiscal 1996 tax system revision adopted by the Diet as soon as possible. We would like to ask the Diet's cooperation to ensure that when we move from 31 March to 1 April there will be no break in economic management. Another task is an early settlement of the bad loan issue involving Japanese financial institutions, including the jusen [home mortgage corporations], and measures to restore the credibility of the financial system.

Moreover, we will try to revise the plan promoting deregulation to achieve effective results. By taking proper measures at the right time, we intend to influence people's economic activities for the better. These are the moderate but basic measures we plan to take.

Among these measures are plans to endorse funds in the fiscal 1996 budget for investment in research and development projects that will serve as cores in creating new industries in the future, and for investing in new technology development based on suggestions from the private sector. Through such investment, we hope results will be achieved as soon as possible. For instance, we hope the so-called leading industries will be fostered soon, and we intend to do our best to bring this about.

[Dean of the press corps] My questions concern settling the jusen issue you just referred to. The decision to use public funds has been criticized, and I would like to ask whether you plan to look at this issue again? I also have another question. Mr. Prime Minister, you once served as finance minister. What is your view on the issue of responsibility, including the administration's responsibility?

[Hashimoto] I would like to answer by recalling the past and referring to some materials. The financial system is the foundation of all economic activity. I feel that working out a settlement for the bad loans involving financial institutions is an inevitable task that must be undertaken if the Japanese economy is to recover. Among the problems involved in reaching a settlement of this issue, liquidating the jusen's bad loans can be taken as a symbolic one. It is an issue that has to be settled as soon as possible, and we will work for economic recovery, paying attention to the stability of Japan's banking system, restoring credibility both at home and abroad, and protecting bank depositors. It was decided then that while we would ask those involved to bear the largest possible burden, the government must, inevitably, resort to the use of public funds. It is also stated in the new tripartite accord that efforts should be made to settle the jusen issue as soon as possible.

As for our understanding of the problems involved, we have not changed our view. At the same time, however, as you have just pointed out, I myself clearly understand that we are not in a position to win the people's sympathy at present. In trying to settle this issue, we will have to try to clarify where responsibility lies among the various agencies and organizations such as administrative agencies, the jusen itself, and financial institutions. To achieve this, those concerned must clarify the actual situation and the developments so far. Efforts must be made to clarify the situation.

As for the government, we must try to explain accurately and responsibly what has to be clarified, including the actual state of affairs and what has so far happened. At the same time, as the issue will be discussed from various standpoints during Diet deliberations and on other occasions, I would like to try to clarify where responsibility lies. As many questions have been asked in the past, I feel it is my own responsibility to try to clearly explain how the situation developed because I served previously as finance minister.

[Dean of the press corps] I would like to ask another question: At the forthcoming Diet session, the relationship between the church and the state will be the most significant issue. What do you think of this?

[Hashimoto] Before going into that question, I would like to take this opportunity to explain more about the jusen issue. Is that all right with you?

[Dean of the press corps] Yes, please.

[Hashimoto] According to my research on loans connected with land procurement, before I took office as finance minister, various notices and hearings were given to prevent financing being advanced for speculative transactions. Of course, after I assumed office as finance minister, the same guidance was repeated. In October 1989 and January 1990, the Ministry of Finance [MOF] directly requested that non-banking institutions, including jusen, restrain themselves from financing speculative transactions. The MOF took various steps to deal with the rise in land prices. For example, we issued in March 1990 a so-called notification on regulations governing the overall quotas of loans. It seems to me that the public has misunderstood the circumstances a great deal. Speaking from the experience of my days as finance minister, the MOF had already implemented the so-called control of the total amount of loans by issuing a notification in the name of the banking bureau chief. In this notice we asked for a report to be submitted on financing for construction companies, realtors, and non-banking institutions. At the same time, the MOF Banking Bureau chief and the chief of the Ministry of Agriculture, Forestry and Fisheries [MAFF] Economic Affairs Bureau issued a notification to agricultural cooperatives' financial institutions making a clear-cut request to the same effect. However, there is a difference in precedence between the former notice and the latter. The former notice requested that reports be submitted on loans extended to realtors, construction companies, and non-banking institutions. The second notice, to the agricultural cooperative financial organizations, demanded that the total amount of loans be controlled, but did not ask that the report on financing extended to construction companies, realtors, and non-banking organizations be submitted. When I asked the MAFF about this lately, it explained it had not requested so in the notice because it had already gotten them to report. Various opinions have been voiced about the fact the jusen have not been asked to restrict the total volume of their loans. The notices have been very strict ones, demanding that the loan amounts for particular sectors be regulated. In other words, the requests have been very close to the limit of the law's definition. Government offices seem to have considered, therefore, that such strict notification should be applied only to licensed businesses, such as the Agricultural Central Finance Corporation, the National Association of the Prefectural Credit Federation of Agricultural Cooperatives, and other banking facilities. This is my understanding. As I believe these issues will come up again in the future, I want to explain my view each time they are discussed.

[Dean of the press corps] I made the point that at the forthcoming Diet session, the relationship between politics and religion will be the focal point. What do you think of this? Another question is whether or not you think Article 20 of the Constitution should be amended.

[Hashimoto] I think the concept of a separation of church and state originally arose from the struggle by European politicians to escape from the influence of churches. I believe people in Japan viewed this concept in light of the history of Kokka Shinto [nationalistic Shintoism] before the completion of World War II. In such circumstances, the present public view of religion has been formed. We have been taught that in the past, as the Kokka Shito religion gained greater power, leaders of religious organizations established in those days were subjected to suppression, with the result that some of them died. What is behind the current heated controversy is the relationship between religious organizations and political activities. On this matter, national deliberations continue. We should, therefore, further discuss the matter in-depth. Needless to say, Article 20 of the Constitution stipulates the principle of the separation of the church and state to guarantee and ensure freedom of religion. I feel that this principle of the separation of church and state, as stipulated in the Constitution, aims fundamentally to guarantee freedom of religion. In other words, Article 20 aims to prevent the government and its offices from interfering in religion when implementing national policy. I believe Article 20 does not ban religious organizations from being involved in political activities that are within the framework of the principle of the separation of church and state. This is the present view of the government. However, in view of past Diet deliberations and people's opinions conveyed by mass media, I also would like to closely examine several studies of the Constitution.

[Dean of the press corp] Let us ask about the problems on Okinawa. A lawsuit has already started between the prime minister and the Okinawan governor on land lease contracts for U.S. military facilities, and we would like to ask your position on this issue. At the same time, please describe your basic view of the Japan-U.S. security alliance, because this topic has become controversial since the Okinawa issues came to the fore recently. In particular, U.S. President Bill Clinton is scheduled to visit Japan in April. Could you give us your views on the two subjects?

[Hashimoto] Please let me begin by answering the second question. I believe relations with the United States have been, and will continue to be, the most important bilateral ties for Japan. Needless to say, maintaining the Japan-U.S. Security Treaty is extremely important, because it is the foundation of the bilateral ties. When I was engaged in Japan-U.S. auto trade negotiations last year, several Asia-Pacific region and European Union [EU] countries — including those who supported Japan on the trade issues — told me they did not want the auto talks to hurt relations between Japan and the United States. Many leaders from those regions emphasized this point one after another, and I felt strongly that the world wants stable ties between Japan and the United States. The Japan-U.S. Security Treaty is the foundation of our bilateral ties, and, at the same time, the treaty plays a very important role in maintaining stability in the Asia-Pacific region. I think no one can deny the facts.

However, as you all know, a very unfortunate incident took place in Okinawa last year. That incident triggered various public arguments about Japan-U.S. relations and the bilateral security treaty. Have we paid adequate attention to the feelings of Okinawan people since Okinawa's reversion to Japan? Have we tried to understand their sadness, suffering, and anger? Have we tried to share their suffering? These questions really make us feel ashamed. I have long been a member of the former lower house committee on social and labor affairs — now reorganized into the Health and Welfare Committee. After Okinawa's reversion, I had opportunities to work on many Okinawa-related issues, such as compensation for bereaved families of victims of the so-called Tsushima-maru [an evacuation boat filled with children that was torpedoed by a U.S. submarine in 1945] incident and for those who were under the age of six and were wounded in the war, as well as children's allowances for half-Japanese children in Okinawa. We felt very ashamed every time we faced such problems, apologized to Okinawan people, and worked out redress measures; however, I really feel the problems we now face are things we have long overlooked.

When I talked on the phone with President Clinton this morning, I told him I was fully aware of the importance of favorable relations between Japan and the United States, and of the Japan-U.S. Security Treaty as the foundation of the bilateral ties. At the same time, I told him that, to obtain further public understanding and cooperation, it is necessary to understand the suffering of the Okinawan people. We both must do our best to obtain public support. Frankly speaking, I hope both nations will link up with each other to achieve the realignment and reduction of bases on Okinawa in a positive manner. I talked to President Clinton on the telephone about my wishes, although, of course, we discussed many other topics too. We should, at least, pave the way to proudly welcome President Clinton in April, reconfirm the significance of the Japan-U.S. security alliance at the highest level, and issue a joint communique on updated security ties. To promote discussions on a bilateral framework to achieve our objectives when it comes to the U.S. military facilities on Okinawa, we would like to obtain cooperation from the United States. In the telephone conversation with President Clinton, I felt such cooperation. While we did not discuss the topic thoroughly, I believe we can basically reach accord on my points.

I have not yet been informed of the situation regarding the lawsuit, but I sincerely hope the local government will show us a solution that is agreeable to the two nations as well as to Okinawan people.

[Dean of the press corps] Mr. Prime Minister, you just said you did not thoroughly discuss the issue. Was the base issue actually discussed in the telephone conversation with President Clinton?

[Hashimoto] We did discuss the base issue. However, we did not have enough time to discuss every single sentiment in my heart.

[Dean of the press corp] Let us go to the next question regarding the consumption tax issue. The tax rate will be raised in April of 1997, and a review of the system will start next fall. Would you please tell us what your view is on the consumption tax?

[Hashimoto] As you all know, several issues concerning the consumption tax rate have been raised. The deadline for reviewing the current consumption tax system is September 1996. It has been legally agreed to raise the tax from the current 3 percent to 5 percent in April 1997. When considering why those issues have been raised and how serious the nation's financial situation is, I think we cannot avoid going through an in-depth discussion over the matter. What I would like to point out, however, is that it is by no means an easy matter to ask people to bear another burden. At this moment, I believe we must go through mature deliberation, and then make a decision on the consumption tax increase, while listening to wide-ranging opinions from people of all social levels and standings, and encouraging each sector to engage in complete discussions.

[Dean of the press corp] Confrontation is expected to intensify between the Hashimoto administration and the New Frontier Party [NFP] in the future. What is your view on the basic policy for the operation of the administration, including the early dissolution of the House of Representatives, which the opposition is demanding?

[Hashimoto] In the next Diet session, both the ruling and opposition parties must engage in fair, open discussions on pending issues we both face. Then, efforts must be made to reveal differences and similarities between us and the main opposition party NFP, and to show how the two sides differ in their approach toward resolving these issues. Since Prime Minister Tomiichi Murayama announced his intention to step down, the three ruling parties, trying to make a fresh start, reviewed the three party policy accord and formulated a new one. While asking the people's understanding on the new accord, we would like to get across what we think to the people through the Diet deliberation.

However, as I mentioned earlier, we should continue working for an economic recovery. To achieve this, I would like to ask for cooperation from the main opposition NFP and others at the Diet so the budget will be compiled before 31 March, with enactment of tax system-related bills. I cordially hope that the new fiscal year will start with our continuing efforts for an economic recovery. Because there are various diplomatic events scheduled, such as the nuclear summit, we will for the time being make utmost efforts to put the nation's economy on the path of recovery.

[Dean of the press corps] Does this mean that you have no intention of dissolving the House of Representatives?

[Hashimoto] You people really love to talk about it. Since the time I was international trade and industry minister, I have told you my top priority is to prevent the further outflow of manufacturing industries. The political vacuum created by dissolving the lower house and calling a general election would certainly affect the nation's economy. Rather, I would like to place the economy on the right track as soon as possible. What is needed for us now is our utmost efforts toward an economic recovery. At the same time, I will make efforts to find a solution to Okinawan problems to be discussed during President Clinton's Japan visit. As far as I am concerned, I do not think it is a right time to dissolve the house.

[Dean of press corps] I will now take questions from other reporters.

[Unidentified reporter] You have referred to the Okinawa issues. Former Prime Minister Murayama met

Okinawa Governor Ota twice and held talks with him lasting hours. Mr. Prime Minister, do you plan to meet the governor as early as possible?

[Hashimoto] Personally, I have a strong wish to meet Governor Ota and other officials as early as possible and hear their opinions. At the same time, I strongly hope that, while promising our efforts to be made as the central government, we would like the Okinawa prefectural office to understand our position as much as possible. In fact, however, I did not have enough time to discuss those issues with the chief and deputy chief cabinet secretaries. As I wanted to consult about the issues with them after this news conference, I really want to meet him and hear his opinions. This is what I strongly hope.

[Unidentified reporter] I would like to ask how a coalition government should look. Mr. Hashimoto, even in a book you wrote, you showed your view to the effect that your party will seek one- party rule in the future, and that the formation of the coalition government — that is, the Hosokawa coalition government — is not a good idea because the partners of a ruling coalition tend to be reserved with one another and lose their own subjectivity. I do not think the current coalition among the LDP, Harbinger, and the Social Democratic Party of Japan [SDPJ] will continue to exist for good. How do you think your parties' future relations with Harbinger and the SDPJ and the picture of political reform from now on should be?

[Hashimoto] A decision on the future course will be made eventually by people's vote under the election system. I think it is basically common to all the political parties that they make all- out efforts under its own policies to seek one-party rule after winning the people's sympathy to its policies.

However, the framework of the current coalition is this. A policies agreement was reached first between the SDPJ and Harbinger. This was made open to each political party in the Diet, and I, as a person in charge of making policy, answered that the LDP can sit down at the negotiating table. This was how the formation of the coalition started. Then, the three parties decided that SDPJ Chairman Murayama was the best to become a leader, and the three parties formed the Murayama administration under the policy agreement. As you know, the fact is that after Prime Minister Murayama expressed his intentions to resign, the three parties began anew to seek a new policy accord and continued talks for many days. When a policy agreement was reached, the three parties came to talk about who should be a joint candidate for the new premiership. As a result, I was recommended by SDPJ Chairman Murayama and Harbinger head Takemura to be the candidate, and I felt honored.

I think that even in the future, a coalition government can be formed in a situation wherein no one political party can fully keep a majority of the seats. When it comes to be formed, such terms as anti-LDP or non-LDP should not be applied to the coalition. I think a coalition can be created based on an agreement on basic policies even from now on. This time, we have formed the coalition government with such procedures. The fact that mutual understanding was promoted among three parties that jointly supported the Murayama administration over the past 18 months and that the three parties deepened their relationship of trust so that they could maintain cooperative relations was probably one of important factors.

In the future, if the lower house is dissolved for a general election under the new single-seat constituency electoral system, which no one has experienced, political parties will get into policy arguments in the election and will be judged by the people. However, I cannot predict the results of the election now. I think that even in the future, a political party will be born and grow with its policies. I think, in a situation where no party wins a majority of seats — in other words, a party that people give the majority of votes — it is matter of course that a coalition can be formed by parties that can take concert action with each other in managing policies. Although the election will be held under the new electoral system combining single-seat constituencies and nationwide proportional representation — we have been very questionable about the new system — I really wonder whether people's opinions have to be divided in two, or how those who could be the mouthpiece of minority views can get seats. In this way, I myself have both expectations and anxiety over the new system.

[Unidentified reporter] Mr. Prime Minister, about the jusen issue...

[Hashimoto] Yes.

[Reporter] There is public criticism of the application of a huge amount of public funds to liquidate housing loan corporations. What made the issue more unclear was the opaque process of making a decision that was suddenly announced to the public late last year. Moreover, it already came to light that there is additional loss of housing loan corporations, which are said to require additional public funds, and there is concern about this. A conclusion has not been made on this. How do you intend to deal with it?

[Hashimoto] I am very sorry, but in fact, I do not know why a decision on introducing public funds was made in a detailed process, namely discussions between the Finance Ministry and the Ministry of Agriculture, Forestry and Fisheries [MAFF], because I was in charge of the Ministry of International Trade and Industry. Please forgive me about this. At that time, however, I watched how the issues would be dealt with. I believe that the limit of both organs' burdens was discussed to the very limit between the Finance Ministry and MAFF. I do not know when the decision to apply public funds was made, but you probably remember that, at the time the decision was made, we discussed possibly disclosing information to the public and establishing a task force composed of officials from such organs as the prosecutor's office, police, and tax administration with possible semi-judicial power within the Deposit Insurance Corporation.

In essence, it is a matter to be discussed between private sectors. However, the issue developed into one that cannot be settled by discussions between private sectors. My understanding is there were thorough discussions on whether the settlement of the issue should be left to a discussion of private sectors or whether there was another way to deal with the issue. I think the decision was made after such a process. However, as you pointed out, it is true that information on the issue, including how concerned organizations see the situation, has not been fully revealed the public.

For that reason, we will continue to ask respective officials in charge of administration to make all-out efforts to disclose information to the public while asking for the cooperation of those concerned. At the same time, if problems are found, we will ask for efforts by officials of judicial and police authorities and the national tax administration. If an act is found to violate the law, as a matter of course that legal action should be taken. However, no matter whether there is a questionable practice or not, I intend to work to disclose information, although it should have been carried out earlier. Although you mentioned another was loss found, I think what we have to do is work to deal with the issue before discussing another loss.

[Reporter] Mr. Prime Minister, can you promise us here to disclose information to the public?

[Hashimoto] I think I do want to disclose information. I can say that much.

[Reporter] You mean you cannot promise?

[Hashimoto] I am very sorry. However, before making a promise, I have not brought this yet to a Cabinet meeting. However, I intend to ask the cabinet ministers concerned at a Cabinet meeting to make all-out efforts to make it possible to disclose information.

[Reporter] What information do you want to ask them to try to disclose?

[Hashimoto] I think there are various things. For example, when I came under strong fire of the public following the financial scandal of securities companies, I was called upon to disclose the list of companies which were compensated for loss. The list of companies receiving compensation of a certain amount were announced eventually under responsibilities of securities firms. At that time, for example, some argued that disclosing information should be limited to those the National Tax Administration Agency knew. However, we did not know whether the tax agency information gathered was always 100 percent, and rather than doing this, we urged each securities company to submit a company list and let them take that direction. This was how information was disclosed at that time. However, I think, there are differences in details of information disclosure depending on problems. In this sense, we have to see through the realities of the situation of debtors or the management of the housing loan companies themselves. Or, we might have to consider the impact of a shortage of security resulting from a drop in prices of land, which was considered valuable at the time of financing.

Therefore, in this sense, in answering your question, I meant that I cannot make a one-sided promise because I will ask the Cabinet members concerned to reflect on what you asked. As for what will be required in disclosing information, as far as I know, there are various viewpoints. However, since each Cabinet member is in charge of the administration of his ministry, I want them to work to disclose information as much as possible under the limit of his supervision.

[Reporter] Mr. Prime Minister, you said it was important to clarify who was responsible in the housing loan corporation scandal. However, what about the responsibility as lenders of the finance institutions affiliated with the MAFF?

[Hashimoto] I am very sorry to say I do not know the details of the financial institutions affiliated with the MAFF. However, people have frequently talked about the responsibility of mother banks and lenders. Needless to say, mother banks share a big responsibility. However, what about the lenders? Do they have no responsibility at all? I do not think so. As I explained earlier, in March, 1990, the director of the Banking Bureau issued a notice about the so-called control of the total volume of loans [suryo kisei] to private financial institutions, which were placed under the bureau's jurisdiction. Similarly, the directors of the MAFF's Economic Bureau and the Finance Ministry's

Banking Bureau jointly issued a notice to MAFF-affiliated financial institutions, too. However, although the notice mentioned controlling the total volume of loans, it failed to [words indistinct] mention the three specific areas. That was missing. I am telling you the truth. I do not think we should handle the issue on the assumption that one side is 100 percent innocent and the other side is 100 percent to blame for the bad loans.

[Reporter] Do you plan to go as far as reviewing the Finance Ministry's organizations or authority on the issue of housing loan corporations?

[Hashimoto] It depends on the extent, if any, to which we can promote information disclosure. Efforts to achieve the disclosure of information should be made. Meanwhile, we should talk about the issue from various viewpoints, asking ourselves, for example, what the government's responsibilities were, or if we could have avoided the problem with a different system. I have no intention of tackling this issue right from the start on the premise that we should or should not do something about the organizations involved. Rather, I would like to know how I can clarify the facts. We want to know the facts. We have to know the facts, because nobody can fulfill their responsibility unless we know what their responsibility is. However, this is an issue we should consider after going through the process I explained.

[Reporter] People label the government big or small depending on its policy. You have been involved in social and welfare matters, and you have also been quoted as saying that politics is for the weak. It appears to me you are aiming to create a big government. On the other hand, New Frontier Party President Ozawa is calling for self-responsibility. It seems he is trying to form a small government. I think this is a general view. What do you think is the fundamental difference between your coalition government and the Ozawa executive department of the New Frontier Party over your visions of the future of the country? Also, can you explain in concrete terms the main issue when there is another reorganization of the political world over policy?

[Hashimoto] I am very sorry to say this, however I have never used the words big government. Since the time I served as chairman of the administrative and financial research council, following the second extraordinary administrative research council, I have aimed at forming a simple and effective government. I hardly discussed government in terms of its size, big or small. Indeed, I think social security or welfare administration is necessary. As you mentioned social security and welfare, let me explain why I say they are necessary.

I won the election for the first time and became a Dietman in 1963. This was the year the Law for Welfare For the Aged was enacted. "Aged" became a legal term for the first time. This was also the year in which the Japanese Government carried out its first investigation to find out how many people were 100 years old in Japan. I never forget that the number of Japanese who were 100 years old or older was 153 as of 1 September, 1963.

I am sure that there were more than 6,000 Japanese who were 100 years old or older as of last year's Respect for the Aged Day. In 1963, about 1.659 million babies were born, if I remember correctly. I still do not know how may babies were born last year. However, I am sure that some 1.23 million babies were born in 1995. Japan became a society of longevity. On the other hand, the number of newborn babies dropped dramatically. This means that the young working population is shrinking and that we have entered an era, in which we have to change the industrial and economic structures significantly. This population change alone tells us clearly that Japan will be stalemated unless we reform our systems. This is the reality.

I constructed the concept of administrative reform from this change in the population structure. Therefore, I never thought about forming an administration in terms of its size.

Our society is aging. While Japanese society is about to become a truly super-aged society, the young working population continues to shrink. There is no doubt that we must change the industrial and economic structures if we want to meet the 21st Century while maintaining a society with truly vital power.

If you look around, you will note changes are already taking place in your family, too. We need to stop further decreases in young working population. Meanwhile, young people are having trouble finding jobs. The young working population is decreasing. There should not be a further decline in employing talented young people. I am hoping that companies will become more serious about employing young people.

In a long-term perspective, however, we need to create an environment, in which older people can work comfortably. At the same time, we must change society so that women, who have a greater chance than men to stay at home, can actively participate in public affairs. When I think about these things, I find that there are so many things to be done.

You said I am trying to form a large government because I am fond of social security and social welfare. However, can a government create, for example, an environment or a regional society that can replace family for children? Japan is a narrow, long country running from Okinawa to Hokkaido. Climate conditions and geographical features vary. So does the industrial structure. Under such circumstances, we must properly [kichinto] settle the unemployment issue if we want women to actively participate in public affairs and work with a sense of security. However, I am sure that this issue itself differs from place to place and from family to family.

Take the issue of creating an environment that replaces family for children for example. This is something the government cannot do by force. What we can do as a government is to support each regional community, which can do this kind of things. I think administrative bodies, which are closest to the people, are local autonomies, cities, towns, and villages. The role of the central government is to come up with money the local autonomies need.

I believe that the true form of decentralization of the government functions is to promote administrative affairs at local level. Accordingly, I have been working in that direction. Is this a big government?

In the era of super-aged society, we will see many thing that cannot be done by the central government. We must ask regional communities to solve such issue for the central government. Of course, it is a role of the central government to think how we can support such regional activities. Therefore, I think we need to continuously exert efforts for that purpose. I do not think this is a big government. On the contrary, I am looking for a government that is simple and effective. I have no intention to criticize other people's ideas.

[Reporter] I would like to ask about the continuation of administrative policy. On 15 August 1995, Prime Minister Tomiichi Murayama issued a statement and clearly apologized for Japan's colonial rule and aggression during the past war. What is your reaction to this? Do you intend to follow in the former administration's footsteps?

[Hashimoto] I am one of the people to whom the prime minister showed his statement and consulted with about its content before he released it. The expression "the end of the war" was originally used in this statement. I said the word defeat must be used and the statement was changed. In this sense, my position is by no means different from his statement.

[Reporter] Prime Minister, the new cabinet was formed yesterday. What issues did you have in mind in forming it?

[Hashimoto] Aware of various problems, I formed this cabinet seeking the profound power to act — the ability to get things done. What we seek, as an economic goal, is economic recovery in the short term, and the retrieval of trust in Japan's financial institutions, including the jusen issue that has been repeatedly discussed. On the other hand, as I mentioned in discussing small and big government, there is something the central government cannot achieve. We shall ask local governments and local people to take care of such things as the decentralization of political power. As the nation's population structure is going to change, we must promote government deregulation to accelerate changes in the socioeconomic system and the industrial structure, and to make sure that these changes head in a better direction. Regarding deregulation, all ministries and agencies are preparing to formulate an interim report. The deregulation promotion plan will be reviewed, new items will be added, and a final decision made before 31 March. These are issues this cabinet is being asked to properly achieve, one by one. As far as diplomacy is concerned, as I have already told you, European and Asia-Pacific countries have strongly urged us to maintain stable Japan-U.S. relations. With this in mind, we must promote Japan-U.S. dialogue toward reorganizing and consolidating the U.S. bases on Okinawa, while also making every effort to understand the feelings of the people of Okinawa. However, this will be done on the condition that we enhance Japan-U.S. relations and firmly maintain the bilateral security framework. I have paid attention to various issues in forming the cabinet. I selected members of the new cabinet with all this in mind.

[Reporter] On the issue of cabinet selection, Seiroku Kajiyama secretary general of the Liberal Democratic Party, was chosen as a key person in the new cabinet. When did you decide to appoint him and what are your expectations of strong-arm Chief Cabinet Secretary Kajiyama?

[Hashimoto] I decided to ask Mr. Kajiyama to become chief cabinet secretary as soon as I considered appointments for this position. There was a lot of discussion among the secretaries general for the first several days, and I asked them to organize discussions on various matters, such as how to allocate cabinet posts among each party. Was it the day before yesterday? Well, I worked right up to the last minute, then made the decision to ask Mr. Kajiyama to become chief cabinet secretary the day before yesterday. Frankly speaking, Mr. Kajiyama has something which I do not. He is my life mentor and he has spoken severely to me. If one takes on a post such as that of prime minister, no one — although you people give me harsh comments — will give him advice. Thus I want someone who can talk straight to me when I am wrong. As a result, I decided to ask Mr. Kajiyama, and the day before yesterday I told him of my decision.

[Reporter] Please tell us if you have any concrete steps in mind for settling post-war issues. Although the 50th anniversary of the end of the war was last year, I believe there are issues yet to be settled.

[Hashimoto] What kind of issues do you mean in particular?

[Reporter] For example, compensation for Asian nations and individual compensation for Korean people.

[Hashimoto] I do not want you to continue to raise, time and again, issues that have already been settled between governments. I acknowledge that in various places there are some people seeking individual compensation. They are not only Asians. Some people in European nations, who were held prisoner by the former Japanese Imperial Army following various battles in the Pacific area, have also called for compensation for their suffering. All the more because I know that some people have sought a solution to this through lawsuits, I would like to refrain from talking about this now.

[Reporter] Thank you very much Mr. Prime Minister.

[Hashimoto] Thank you.

Urges Structural Reforms

*OW1201090296 Tokyo KYODO in English
0851 GMT 12 Jan 96*

[FBIS Transcribed Text] Tokyo, Jan. 12 KYODO — New Prime Minister Ryutaro Hashimoto said Friday [12 January] his government aims to reform the political, economic, administrative and social structure of the nation in order to create a new and vigorous Japan.

In a press conference held at the Prime Minister's Official Residence and televised throughout Japan, Hashimoto reiterated that his priorities are to put the Japanese economy on track, recover domestic and overseas confidence in the country's financial system, and promote relations with the United States.

He also pledged to put stress on deregulation and decentralization.

"We must promote the structural reform of industry and the economy at a time when the number of young workers continues to decrease," Hashimoto told his first press conference since he took office Thursday.

He also urged the Diet, which will convene a 150-day regular session Jan. 22, to pass the 75.1 trillion yen budget for fiscal 1996 by the start of the fiscal year April 1, so that his government can continuously implement economic pump-priming measures.

In addition, Hashimoto said he will ask his ministers to "do their utmost" to disseminate information on seven almost bankrupt housing loan companies and try to gain public support for a government scheme to use 685 billion yen of taxpayers' money to liquidate the companies.

However, he failed to promise that all details will be released, saying he has yet to ascertain what type of information should be made public.

Nevertheless, Hashimoto vowed to make efforts to clarify the responsibilities of the administration, the housing loan companies and financial institutions involved in the issue.

The main opposition Shinshinto (New Frontier Party) is preparing to grill Hashimoto over the government scheme to liquidate the housing loan companies.

Hashimoto said he had talked with U.S. President Bill Clinton over the telephone in the morning and told him he appreciates the significance of Japan-U.S. ties and the bilateral security treaty, while also mentioning the issue of U.S. bases in the southwesternmost Japanese prefecture of Okinawa.

"I hope (Clinton) will appreciate the concerns of the Okinawa people, so that I can ask for public for understanding of the issue and we can make positive bilateral efforts for the adjustment and reduction of U.S. bases in Okinawa," Hashimoto said.

Increasing numbers of Japanese people have come to question the Japan-U.S. security setup and the U.S. military presence in Japan, following the rape of a local schoolgirl in Okinawa in September, for which three U.S. servicemen are on trial.

Turning to the question of the consumption tax, Hashimoto said the government must discuss the issue thoroughly before deciding whether to raise the tax further after its planned rise to 5 percent in April 1997. The tax is currently 3 percent.

The prime minister rejected opposition demands for an early dissolution of the House of Representatives for a general election, saying holding such a poll would prevent the government from continuously implementing measures to stimulate the economy.

The conservative Hashimoto said he supports former socialist Prime Minister Tomiichi Murayama's statement Aug. 15, 1995, the anniversary of Japan's surrender in World War II.

In the statement, Murayama apologized for Japan's aggression and colonial rule in Asia before and during the war.

However, Hashimoto declined to comment on demands for war-related compensation from some individuals in Asia, saying there are ongoing lawsuits over the matter.

"The issue has been settled between state and state. I do not want the question (of compensation) to be raised over and over again," he added.

Cabinet Names 23 Parliamentary Vice Ministers

OW1201080396 Tokyo KYODO in English 0755 GMT 12 Jan 96

[FBIS Transcribed Text] Tokyo, Jan. 12 KYODO — The coalition government of Prime Minister Ryutaro Hashimoto on Friday [12 January] announced the appointments of 23 parliamentary vice ministers.

Of them, Hashimoto's Liberal Democratic Party (LDP) received 15 vice ministerial posts, the Social Democratic Party (SDP) six and new party Sakigake [Harbinger] two, officials said.

Compared with the reshuffled cabinet of Former Prime Minister Tomiichi Murayama last August, the LDP and the SDP lost one post each, which were taken by Sakigake.

Of the 23 vice ministers, 15 are members of the House of Representatives and eight are members of the House of Councillors.

There are two female vice parliamentary ministers, Kiyoko Kusakabe, 60, at the Education Ministry and Sumiko Shimizu, 67, at the Economic Planning Agency, both of the SDP.

The posts for vice parliamentary ministers are normally filled by second-term Diet members.

The finance, farming and trade ministries have two parliamentary vice ministers each.

They are Masaaki Yamazaki (LDP) and Yoshio Hachiro (SDP) at the Ministry of Finance, Takeshi Noma (LDP) and Tadamasa Kodaira (Sakigake) at the Ministry of Agriculture, Forestry and Fisheries, and Kazutaka Tsuboi (LDP) and Noboru Endo (SDP) at the Ministry of International Trade and Industry.

Eiji Suzuki, an LDP member of the upper house who became a politician after a career as an actor, assumed the vice ministerial post at the Okinawa Development Agency.

Ministers on Cabinet's Tasks, Ties With U.S.

OW1401141096

[FBIS Editorial Report] Tokyo NHK General Television Network in Japanese at 0000 GMT on 14 January, during its "Sunday Discussion" program, carries a live, 75-minute discussion on the tasks facing the Hashimoto cabinet. Taking part in the discussion are Wataru Kubo, deputy prime minister and finance minister; Yukihiko Ikeda, foreign minister; Ichizo Ohara, agriculture, forestry, and fisheries minister; Shunpei Tsukahara, international trade and industry minister; Ichiro Hino, posts and telecommunications minister; and Shusei Tanaka, Economic Planning Agency director general. NHK commentator Takashi Yamamoto moderates.

Noting that Prime Minister Ryutaro Hashimoto describes his cabinet as an administration of reform and creation, of depth and practicality, Yamamoto first asks Deputy Prime Minister Kubo what specifically the new government intends to do. Kubo says that, while following the policies of the former Murayama administration, the new administration will implement concrete measures for economic recovery and to solve such issues as the liquidation of failed housing loan companies and the reduction of the U.S. military presence in Okinawa. Concerning Okinawa's bases issue, he says: "The government intends to work to live up to Okinawa residents' expectations." Foreign Minister Ikeda is asked about the cabinet's duties. Stressing that both Japan and the international community are in the process of drastic change, he says: "The new cabinet's task is to work out measures to cope with the drastic change at home and abroad." Tanaka and Hino are asked about the possibility of the Liberal Democratic Party increasing its say within the coalition government because the heads of the Social Democratic Party of Japan and New Party Sakigake (Harbinger) have not joined the new cabinet. Both deny the possibility, claiming that the three ruling parties have strengthened their solidarity.

They next discuss the issue of liquidating failed housing loan companies. Kubo notes that, through Diet deliberations, the government needs to win public understanding of its plan to use public funds totaling 685 billion yen to help cover losses stemming from the liquidation. He also stresses that the government will clarify who is responsible for the failure of the housing loan firms, saying: "The government has to disclose as much information as possible on this issue, make known to the people why the loan firms' bad loans ballooned, and fully discuss what is the best solution to the problem for Japanese politics." In connection with this, Tanaka, Kubo, and others note the need for the government to continually implement pump-priming measures to ensure economic recovery.

Concerning the Okinawa bases issue, Ikeda notes that the Japan- U.S. security arrangement is imperative for the safety of Japan and for maintaining stability in the Asia-Pacific region. He adds: "Although the bilateral security system is necessary, Okinawan residents have been forced to endure the great burden of U.S. military bases as well as pains and tragic incidents resulting from the U.S. military presence. We have to take this fact seriously and tackle Okinawa's problems in earnest." Asked whether or not the government will be able to come up with measures to reduce the U.S. military presence in the prefecture while maintaining the current U.S. military strength in Japan, Ikeda says: "It is certainly difficult. However, the government should work out measures." When asked whether the government is considering relocating some U.S. military facilities in Okinawa to mainland Japan Hawaii, or Guam, Ikeda refrains from making specific comments, merely noting that the government will carefully deal with the matter. Meanwhile, Kubo notes: "The ruling parties have agreed to make diplomatic efforts to prevent the perpetual stationing of U.S. forces in Okinawa. The government will have to make efforts based on this accord."

Turning to trade talks between Japan and the United States, Yamamoto asks Tsukahara how the talks will develop. Tsukahara answers: "We intend to promote negotiations in a calm manner and based on rules in order to solve trade issues one by one." In answering a question as to whether Japan will agree to extend the semiconductor accord that expires in July, Tsukahara denies the need to extend the pact, claiming that the foreign share of the Japanese chip market has already reached 27 percent, far beyond the targeted 20 percent. He says: "The agreement has achieved its objective. Thus, it should be terminated in July."

Asked about Japan's bid to win permanent membership on the UN Security Council [UNSC], Ikeda notes that, while watching the developments in the ongoing UN reform and seeking neighboring countries' support, Japan should create a situation in which Japan is asked by Asian neighbors to become a UNSC permanent member.

Discussion shifts to the timing of the dissolution of the House of Representatives for a general election. Citing U.S. President Bill Clinton's visit to Japan in April following the adoption of FY96 budget bills, Kubo says: "The president's visit is the most important diplomatic event. The government should do its utmost for the early passage of FY96 budget bills and success of the forthcoming Japan-U.S. summit. At present, it should not consider dissolving the house." Tsukahara predicts that the dissolution of the house will take place after the government compiles a FY97 budget plan in December, while Ohara stresses that the Hashimoto government should remain in power until the economy is put on a course toward recovery. Tanaka also notes that the government should not do anything now that would create a political vacuum.

Hashimoto Cabinet Receives 59/% Approval Rating

OW1401015996 Tokyo KYODO in English
0126 GMT 14 Jan 96

[FBIS Transcribed Text] Tokyo, Jan. 14 KYODO — The popularity of the newly inaugurated coalition cabinet of Prime Minister Ryutaro Hashimoto stood at 59 percent against 16 percent for those who are opposed to the cabinet, the national daily MAINICHI SHIMBUN reported in its survey Sunday [14 January].

The figure was the second highest for newly formed cabinets of the post-war era in a series of surveys the daily has conducted so far.

The cabinet which received the highest-ever mark was the cabinet led by then Prime Minister Morihiro Hosokawa in 1993. The Hosokawa cabinet, the first coalition cabinet in decades in Japan, received a 75 percent in a survey after it was inaugurated in August in the year, the MAINICHI said.

The daily conducted the survey by telephone Friday, covering 1,498 people across the country, all of whom responded.

The pollees cited Hashimoto's strong leadership as the top reason for supporting his cabinet, followed by high expectations of the cabinet's new policies. His personality was also cited as one of major reasons for endorsement of the cabinet.

The survey also found that 23 percent did not show any interest in the cabinet.

The three-party coalition administration led by Hashimoto was inaugurated Thursday. The three parties are Hashimoto's Liberal Democratic Party (LDP), the Social Democratic Party led by his predecessor Tomiichi Murayama and New Party Sakigake [Harbinger] headed by former Finance Minister Masayoshi Takemura.

When the poll asked about the popularity of political parties, the LDP garnered 33 percent, representing a slight increase of 1 percentage point from the previous survey in December, while the major opposition Shinshinto (New Frontier Party) received 11 percent, down 1 point from the previous survey.

The support rate for the SDP slid 1 point to 6 percent from the previous 7 percent, while Sakigake also suffered a 1 point decrease at 2 percent.

Further on Kajiyama's News Conference

OW1101145896 Tokyo NHK General Television Network in Japanese 0907 GMT 11 Jan 96

[Question-and-answer session by newly appointed Chief Cabinet Secretary Seiroku Kajiyama with unidentified reporters at the Prime Minister's Official Residence — live]

[FBIS Translated Text] [Kajiyama] Do you have any questions?

[Reporter] What is the eye-catching slogan of the new cabinet?

[Kajiyama] To create new things... [pauses] Although I cannot say definitely at present, I think the cabinet is to tackle several issues, including economic recovery. I will let you know in concrete terms later.

[Reporter] What kind of consideration was given to the selection of the new cabinet members?

[Kajiyama] The selection this time?

[Reporter] Yes.

[Kajiyama] The three coalition leaders, including the prime minister, made the decision. While watching that process, I felt that the new lineup was decided with the determination to create new things and to further consolidate the foundation of the three-party coalition.

[Reporter] It seems that there are many veterans in the new cabinet. Do you think we can characterize it as a cabinet that is able to open a way for new leadership?

[Kajiyama] I question who should be called veterans. I do not know exactly what this means. If we call aged people veterans, this may insult young people. Some young Diet members are well versed in political affairs, and some senior members are not. However, it is a fact that relatively senior members have a great deal of experience. In this sense, I am sure that the cabinet can do its job with the cooperation of old, middle-aged, and young members.

[Reporter] Chief Cabinet Secretary, you served as secretary general of the Liberal Democratic Party [LDP] under the Kiichi Miyazawa cabinet. The cabinet was called the last administration of the LDP [passage indistinct]. Now, the LDP president has again become prime minister, and you have been charged with an important task as chief cabinet secretary. Would you state your feelings about that?

[Kajiyama] I cannot answer in a word. However, I am deeply impressed with the appointment. Two and half years ago, we went out of power, and we had feelings of purifying ourselves. At the same time, following the collapse of the so-called 1955 political regime [post-1955 political order in which the LDP dominated other opposition parties], we struggled for the past two-and-a-half years to adapt ourselves to the new world order or Japanese structure in the post-Cold war era. Especially in the past one-and-a-half years, we tried to come up with a way of creating a new Japan in a real sense and to take concrete steps to that end. Without repeating the previous ideological conflict, we made such efforts in the form of the three-party coalition. After making these attempts, we have at last established the Hashimoto cabinet, our dearest wish. Therefore, there are many differences between the one-party administration of two years ago and the current three-party coalition administration. I think the current one is, so to speak, a great outgrowth of the 1995 political regime. I believe the cabinet should keep this in mind.

[Reporter] Chief Cabinet Secretary, you wrote about the jusen [housing loan companies] issue, which is expected to become a major focal point in the next Diet session, in the latest issue [February] of BUNGEI SHUNJU. In your article, you said that it is a complete mistake to work out liquidation measures while putting off the question of where the responsibility lies. Now that you have been appointed chief cabinet secretary, how do you intend to tackle the issue?

[Kajiyama] I always contribute my frank views to magazines. So, I do not believe I did a wrong thing in regard to the article. Without engaging in emotional arguments, it is extremely necessary in this situation to take measures to dispel anxiety over the financial system, because the issue is very important for the state, the public, industrial circles, and the people's livelihood. However, taking liquidation measures is not everything. We need to probe into the cause of the issue and clarify where the responsibility lies — was the situation been brought about intentionally or accidentally? Apart from responsibilities as a result [kekka sekinin], we have to discuss the issue of responsibilities and promote transparency. We can obtain public understanding by clarifying the responsibilities of both the creditors and debtors and by promoting transparency. I believe that this cabinet will tackle the issue in this sense.

[Reporter] Since Chief Cabinet Secretary Igarashi was appointed, the government has been discussing the Ainu people and the new Ainu law. How do you plan to tackle this issue as the new chief cabinet secretary?

[Kajiyama] I have not studied the matter in detail. I do not know if I can give you an immediate answer, though it is true that we have such ethnic problems. We must keep this mind because I think it is extremely important to build a society free of such problems.

[Reporter] There have been problems over the jusen issue. Have you ever accepted a political donation from jusen?

[Kajiyama] I have not.

[Reporter] In the BUNGEI SHINJU magazine article mentioned earlier, you proposed the "conservatives and individuals alliance [ho-koko Rengo]." How would you use this in dealing with the New Frontier Party [NFP]?

[Kajiyama] Every person may have a different definition of conservatives and individuals [ho-koko]. Underlying the idea, though, was an alliance of conservatives with conservatives. As the NFP submitted a no-confidence motion against the former administration, it could have made it impossible for the cabinet to help conservatives ally with conservatives, or reach agreement and compromise between the ruling and opposition parties. Is it right, though, to maintain a rigid stance like this? If, in addition to the three ruling parties, there were others who agreed with me, I think that would surely allow us to overstep the existing framework. This idea [ho-koko Rengo] was based upon this belief of mine.

[Reporter] Do you mean that if there is a chance, you as chief cabinet secretary would make...

[Kajiyama, interrupting] ...Well, I do not know that until I see what comes next.

[Reporter] Do you see this [ho-koko Rengo] as conservatives allying with conservatives together with selective members?

[Kajiyama] I would rather not. The formation of an alliance between conservatives and individuals cannot be done without mutual agreement. If we use the word selective it sounds as though we are taking aim at some people but it is not like that. It is desirable that any alliance be formed while remaining politically flexible.

[Reporter] Chief Cabinet Secretary, how will the Hashimoto administration deal with the problems related to U.S. bases on Okinawa?

[Kajiyama] Sooner or later, the prime minister will address the issue. We are painfully aware of the sufferings and pain Okinawa has experienced during the war and over the 50 years since it ended. How do we solve these problems in a realistic manner? I understand this is what the various ministers and the prime minister himself must sincerely tackle as an important task.

[Reporter] Some other postwar issues have not been solved yet. Take the comfort women issue, for example. Fifteen years have passed but the government still has not necessarily obtained the understanding of other Asian countries. I think the 50th anniversary of the war's end was the turning point, but what do you think should be done about such postwar issues?

[Kajiyama] The issues related to postwar compensation range from specific ones, such as the one you just mentioned, to general ones — I mean postwar compensation in broader terms. Do we have to call it compensation or collective responsibility? Unless we go so far as to discuss such things, it cannot be considered real compensation. As compensation in its nature forces us to go backwards, I think it is more important to solve and make progress in postwar issues while enhancing ties with Asia.

Tsukahara Advocates 'Propping Up' Economy

OW1601040196 Tokyo KYODO in English 0302 GMT 16 Jan 96

[FBIS Transcribed Text] Tokyo, Jan. 16 KYODO — International Trade and Industry Minister Shumpei Tsukahara said Tuesday [16 January] the government should give top priority to propping up the nation's economy.

Tsukahara said at a news conference, "since taking the office, I felt that restoring the economy is what we should do most."

Tsukahara was appointed head of the Ministry of International Trade and Industry (MITI) last Thursday with the inauguration of the cabinet of Prime Minister Ryutaro Hashimoto, his predecessor in the MITI post.

Various public polls stress the importance of economic recovery among the list of things to be done by the government, Tsukaraha said.

Earlier in the day, the Economic Planning Agency (EPA) slightly upgraded its economic assessment in its latest report, saying, "The economy is seen emerging from a recent standstill, albeit gradually."

But there remains uncertainty over employment, inventory and exports, Tsukahara quoted the EPA as reporting.

Asked to comment on the first anniversary Wednesday of the Kobe earthquake, Tsukahara said Tokyoites have to share quake victims' feelings that it was hard to survive the past year.

Tsukahara pointed to the need for closely monitoring the implementation of the extra budget for rehabilitation of quake-hit areas and for reflecting local people's opinions in reconstruction programs.

KYODO Interviews Finance Minister Kubo

OW1201134696 Tokyo KYODO in English 1312 GMT 12 Jan 96

[FBIS Transcribed Text] Tokyo, Jan. 12 KYODO — New Finance Minister Wataru Kubo said Friday [12 January] he will do his best to gain public understanding for the use of taxpayers' money to clear the bad-loan mess caused by troubled housing loan companies.

"In the process of parliamentary debate, it is necessary to clarify responsibility of the managements of the ailing mortgage companies and their founder banks as well as borrowers who cannot repay loans," Kubo said in an interview with KYODO news.

"The responsibility of administration and politics should also be sought, without exception," he said.

While stressing the need to promote disclosure of information on the issue, Kubo expressed his readiness to make public necessary data, including lists of those who borrowed money from the mortgage companies.

"There are issues in regard to privacy, but we can make public lists of borrowers with their initials," he said.

Kubo, 66, secretary general of the Social Democratic Party (SDP), took both the finance portfolio and the post of deputy prime minister in the new government formed Thursday night by Prime Minister Ryutaro Hashimoto, following the resignation earlier in the day of Tomiichi Murayama's cabinet.

Kubo called for a "careful deliberation" of the question of the Finance Ministry's supervisory function over financial institutions, to be conducted separately.

He also said there is no change in the plan to raise the consumption tax rate from the present 3 percent to 5 percent in April 1997, and vowed to make efforts to improve Japan's tight fiscal situation.

At the end of December, the government decided to inject 685 billion yen from the general account to help cover losses stemming from the liquidation of the seven housing loan companies, which are saddled with huge bad loans.

Amid criticism of the decision, the housing loan fiasco is certain to become the focus of debate at the next ordinary Diet session that starts on Jan. 22.

"To gain public understanding, it is necessary to make public the process of the housing loan fiasco as well as the amount and whereabouts of problem loans," Kubo said.

The new finance minister, however, stressed the need to introduce taxpayers' money to resolve the issue.

"The step is necessary in view of maintaining global trust in the stability of Japan's financial system and protecting the interests of the Japanese people," he said.

Kubo acknowledged there is responsibility on the side of the administration and politics in the issue.

"It should be reconsidered whether the Finance Ministry had taken enough administrative steps," Kubo said. "The government should have tackled the bad-loan issue earlier," he added.

Kubo also said that in addition to the housing loan companies and banks that founded them, agricultural financial institutions, their major creditors, should clarify their responsibility.

As part of efforts to promote disclosure of information on the bad-loan mess, Kubo showed a positive stance toward disclosure of lists of borrowers by their initials.

Such a measure can be taken as seen in the Lockheed bribes-for- influence-peddling scandal involving former Prime Minister Kakuei Tanaka, he said.

On calls for detaching the Finance Ministry's supervisory functions from the ministry, Kubo showed a cautious stance, saying full deliberation is necessary.

"The ministry is now considering whether there is a flaw in its banking administration, but this debate should not be immediately linked to the separation of the supervisory section," he said.

Following a series of revelations last year of financial scandals, including the case of a huge loss cover-up at Daiwa Bank's New York branch, calls have become vocal for the ministry's administrative and supervisory functions to be conducted separately.

The new finance minister also tried to brush aside worries among ministry officials that he may oppose the planned hike in the consumption tax rate.

Kubo campaigned against the consumption tax when his SDP was in the opposition camp.

"I am in no position of objecting to the tax rate hike because it is an accord by the three ruling coalition parties," he said.

Kubo said any further hike, however, from the planned 5 percent level should be avoided. "The consumption tax should not be treated as a tool to cover a shortage in other revenue sources," he said.

Kubo expressed his willingness to tackle the reconstruction of Japan's "critical" fiscal conditions stemming from a wide gap between expenditures and revenues.

He stressed that fiscal reforms, though, do not mean simply reducing costs for social security, education and other items.

Kubo showed a positive stance on taking pump-priming measures to lift the economy if necessary. "To vitalize economic activity leads to an increase in revenues," he said.

Posts Minister 'Timid' on NTT Split

OW1201131596 Tokyo KYODO in English
1255 GMT 12 Jan 96

[FBIS Transcribed Text] Tokyo, Jan. 12 KYODO — New Posts and Telecommunications Minister Ichiro Hino expressed reservations Friday [12 January] about the proposed division of Nippon Telegraph and Telephone Corp. (NTT) into smaller entities.

During an interview with KYODO news and other news organizations, Hino said he is not sure whether dividing up NTT would improve Japan's telecommunications market.

NTT has been performing well and striving to reform itself, he added.

The Telecommunications Council is working to submit its final recommendations on the issue to Hino at the end of February.

Hino said that although he will give full attention to the report, recommendations in it will not necessarily be implemented as is. The three parties forming the ruling coalition will make a political decision on the matter, he added.

Expressing doubt that the Japanese telecommunications market can be rebuilt from scratch if NTT's split-up fails to produce the intended results, Hino said he has no other choice but to take a timid stance on the issue.

Coalition sources said the three parties — the Liberal Democratic Party, the Social Democratic Party and new party Sakigake [Harbinger] — have already agreed to scrap the plan to divide NTT. In addition, new Prime Minister Ryutaro Hashimoto is known to oppose the split.

Under such circumstances, analysts said the proposed split-up of NTT, with the aim of promoting competition in the domestic telecommuncations market, is very likely to be shelved.

Government Decides FY96 Tax System Reforms

OW1201075896 Tokyo KYODO in English
0738 GMT 12 Jan 96

[FBIS Transcribed Text] Tokyo, Jan. 12 KYODO — The government of Prime Minister Ryutaro Hashimoto decided Friday [12 January] on an outline for a fiscal 1996 tax reform package during the day's cabinet meeting.

The contents of the outline are almost unchanged from a tax reform package adopted in December by the three ruling parties.

As in the previous reform plan, the new package includes keeping temporary income and residential tax cuts in place and reducing the state-levied land value tax rate from the current 0.3 percent to 0.15 percent.

The government expects that its tax revenues in fiscal 1996 starting April 1 will show a net decline of 1,608 billion yen from that in fiscal 1995.

Revenues are estimated at 1,405 billion yen less in income tax, 164 billion yen less in land value tax and 65 billion yen less in securities transaction tax.

Meanwhile, the government expects it could get 13 billion yen more in revenues by ensuring proper collection of taxes and still another 13 billion yen more as a result of rule changes in special taxation treatment.

Corporate Confidence Improving 'Noticeably'

OW1201123196 Tokyo KYODO in English
1014 GMT 12 Jan 96

[FBIS Transcribed Text] Tokyo, Jan. 12 KYODO — Confidence in the economy in Japanese business sectors improved noticeably in the October-December period, and will strengthen further in the coming months, a private economic think tank said Friday [12 January].

The Sanwa Research Institute, a research arm of Sanwa Bank, said its index for corporate confidence registered a score of minus 10 in the last quarter of 1995, up from minus 21 in the preceding three- month period.

The index will likely register a score of plus four in the January-March period, and if so, it would be the first time in five quarters for the index to stay in the plus side, it said.

The findings are based on the institute's poll on a total of 11,000 corporations in December.

The institute said an index for business sentiment among the surveyed companies also improved in the October-December quarter for the second consecutive quarter.

However, such improvement was weaker among small- and medium- sized companies than at large corporations that have been enjoying favorable effects of business restructuring, the institute said.

By industry, the manufacturing sector was most skeptical about further improvement in the business climate, it added.

As for this year, the institute said the economy has shifted into a recovery stage at the outset of the year. There is a fear that the upward momentum could break in the latter half of the year when fresh investment in public works projects usually drops.

Should corporate capital spending recover, it will support the recovery trend in the economy, the institution added.

The institution predicted that the national economy will post an annual 2.2 percent economic growth in fiscal 1996, which starts April 1. Growth in the 2 percent level is the first in five fiscal years.

EPA: Production 'Showing Signs of a Recovery'

OW1601004096 Tokyo KYODO in English 0026 GMT 16 Jan 96

[FBIS Transcribed Text] Tokyo, Jan. 16 KYODO — The Japanese Government made yet another positive change to its economic assessment Tuesday [16 January], saying, "The economy is seen to crawl out of a recent standstill, albeit gradually," with production showing signs of a recovery.

In its latest carefully worded economic report, the Economic Planning Agency (EPA) stepped a little closer to removing the word "standstill" which it began using in July last year, when the negative impact of the yen's surge from the spring surfaced.

The December report had eliminated the phrase "a weak note" from the assessment used in the previous three months which read, "The economy remains on a weak note amid a prolonged phase of standstill."

While exports still remain on a downtrend, bright signs are emerging in personal consumption, corporate capital spending and housing construction, the agency said.

But the agency cautions against turning overly optimistic. "The evaluation moved just half a step ahead and it takes more time before using the word 'recovery' in the report," said an agency official briefing reporters.

The report was submitted by EPA Director General Shusei Tanaka to a meeting of economic ministers held Tuesday morning.

On housing investment, the EPA used the phrase, "The investment is showing signs of a recovery," in the January report, which is considered better than "it is picking up" in the December report.

Housing starts in November rose 5.7 percent from the preceding month for the third consecutive monthly rise, and also gained 0.1 percent compared with a year earlier, marking the first year-on-year increase in nine months.

As for industrial production, the EPA said output and shipments showed a turn for the better on the back of a rise in those for machinery.

In the previous month's report, the agency said industrial production and shipments moved on a weak tone.

The EPA left its assessment of personal consumption unchanged from the December report, repeating that consumption is generally showing a tendency toward moderate recovery.

Based on strong showings in the Bank of Japan's quarterly "Tankan" survey of corporate business sentiment released in December, the EPA said capital spending continues to stay on a mild recovery path.

The central bank's report showed that corporate capital investment plans for fiscal 1995 rose 3.8 percent, compared with a 8.3 percent decline the previous year.

On the other hand, the employment situation remains a major factor which could dampen the economy, the agency said.

Although the ratio of job offers to job seekers is staying almost flat, the agency expressed a deep concern over the unemployment rate, which climbed to a record 3.4 percent in November.

The EPA said exports and inventories are also possible drags on the economy.

"Exports rose in November but they are still on a downward path in a longer term of view," according to the EPA report.

"It is uncertain when Japanese companies can put behind them the adverse effects of the yen's advance against the dollar which started last spring," said the EPA official.

Inventories fell slightly in November due chiefly to declines in the chemical and steel industries. The official said it will take more time to see if such a fall will take hold.

To put the domestic economy on a solid recovery track, the government should continue to take appropriate measures to ease financial and other regulations, expand domestic demand, deal with huge bad loans and promote effective land use, the EPA report said.

EPA Head To Seek Structural Reform of Economy

OW1201110596 Tokyo KYODO in English 1032 GMT 12 Jan 96

[FBIS Transcribed Text] Tokyo, Jan. 12 KYODO — The head of the Economic Planning Agency (EPA) on Friday [12 January] revealed his intention to appeal to the public to grasp the necessity for reform of Japan's economic structure as a part of efforts to prop up the feeble economy.

"I want to take the lead in efforts to have the people understand that structural reform will produce many more benefits than pains," Shusei Tanaka, EPA director general, said in an interview with KYODO news.

"I will tell the people in plain language, 'cheer up and let's get together to improve the economy. Such a task may be easier for an amateur like me than for the experts," Tanaka said.

In speaking about present economic conditions, Tanaka said there is a mixture of bright and dark aspects.

"There are bright signs, with various economic statistics improving, while conditions of employment and smaller businesses remain serious," said Tanaka, who was appointed Thursday as top economic planner in the cabinet of Prime Minister Ryutaro Hashimoto.

"The most important task at present is to get the national budget for fiscal 1996 approved earlier, to be implemented from the beginning of the year," Tanaka said.

The government and the tripartite ruling coalition should also make an all-out effort to proceed with the controversial liquidation of the virtually bankrupt housing loan companies, he said.

"I don't think the government has won the people's understanding on the injection of public money in the problem of housing loan companies," he said. "So we have to gain their understanding through governmental and parliamentary measures from now on."

"I believe people will understand the situation if we explain it clearly," Tanaka said.

On deregulation, Tanaka stressed the importance of achieving tangible results for consumers, whose support he said is essential to the promotion of deregulatory measures.

"It is important to obtain visible results by setting clear policy objectives," Tanaka said, using the example of a target of reducing housing construction costs to two-thirds of present levels under the government's new six-year economic plan for fiscal 1995-2000.

As he learned from the Australian Government's advice, Tanaka said as many necessary deregulatory measures as possible should be carried out at the same time so the inevitable adverse effects will not concentrate on one sector of the economy.

Tanaka said he will review the government's program of deregulation with an eye toward specific benefits for the people.

There will be a review at the end of September of the government's plan to raise the consumption tax from 3 to 5 percent effective April 1997. Tanaka stressed the need to map out a longer- term vista of the nation's administrative and fiscal reforms for thorough discussions on the matter.

At a press conference Friday evening following a cabinet meeting, Tanaka could not support raising the tax above 5 percent.

"I personally agree" to keep the tax hike at 5 percent, Tanaka told reporters.

He said, "it would be difficult to win the people's consent to further increases in the tax."

It is necessary for the government to display how and what kind of efforts it will make by working through adversity itself, Tanaka said.

Tokyo To Abandon Satellite if U.S. Fails

OW1201103896 Tokyo KYODO in English 1027 GMT 12 Jan 96

[FBIS Transcribed Text] Houston, Texas, Jan. 12 KYODO — Japan will abandon its experimental observatory satellite launched last March if the U.S. space shuttle Endeavour fails to retrieve it, Japanese sources said Friday [12 January].

The sources said the Japanese Government informed the U.S. National Aeronautics and Space Administration (NASA) it will not ask for another shuttle attempt to retrieve the Space Flyer Unit (SFU) because it would cost an additional 8 billion yen.

The decision was made by the Trade and Education Ministries and the Science and Technology Agency which jointly developed the satellite, they said.

The SFU was designed to conduct experiments such as making diamond crystals in a weightless environment, egg-laying by water lizards through remote control, and astronomical observation for six months.

The sources said Japan believes it will not be worth requesting another shuttle mission to retrieve the satellite for the huge cost because enough experimental and observatory data from the satellite has been obtained since it was launched last March.

Japanese Astronaut Koichi Wakata who is on the Endeavour, is scheduled to retrieve the Japanese satellite by using a robot arm on Saturday.

If the Endeavour fails to rendezvous with the satellite, Japan will ask NASA to extend the shuttle mission for an extra day for a second attempt at a cost of 300 million yen, the sources said.

The sources said Tokyo will ask NASA for a U.S. astronaut to assist in retrieving the satellite if Wakata fails to retrieve the satellite with the robot arm.

The space walk will cost 100 million yen, according to the sources.

The Endeavour carrying Wakata and his five fellow crew members lifted off Thursday from Cape Canaveral for a nine-day mission.

North Korea

Third KEDO Site Inspection Team Departs

SK1601114996 Pyongyang Korean Central Broadcasting Network in Korean 1100 GMT 16 Jan 96

[FBIS Translated Text] The third site inspection team of the U.S.-led Korean Peninsula Energy Development Organization [KEDO] for light-water reactor atomic power plants, which came to implement the DPRK-U.S. agreed framework, left Pyongyang today by plane.

Fourth KEDO Site Inspection Team Arrives

SK1601114796 Pyongyang Korean Central Broadcasting Network in Korean 1100 GMT 16 Jan 96

[FBIS Translated Text] Pursuant to the DPRK-U.S. agreed framework, the fourth site inspection team of the U.S.-led Korean Peninsula Energy Development Organization [KEDO] for light-water reactor atomic power plants arrived in Pyongyang today by plane.

U.S.-Japan Exercise 'Keen Edge 96' Denounced

SK1201043296 Pyongyang KCNA in English 0420 GMT 12 Jan 96

["The U.S. Continues Increasing Tension in Korean Peninsula" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, January 12 (KCNA) — The United States reportedly sent a nuclear-powered submarine of the seventh fleet, which is equipped with missiles capable of hitting targets inland as well as weapons to attack vessels, to South Korea on Wednesday.

The U.S. is now staging a combat flight exercise of planes based on the carrier independence in the sea off Japan, allegedly "to cope with contingency" in the Korean peninsula.

The U.S. has also been said to start a joint integrated command post exercise, codenamed "Keen Edge 96," with the Japanese "Self-Defense Forces" on January 25 with the mobilization of Okinawa-based U.S. troops, the first corps of the U.S. Army in the mainland and other huge forces.

We take a serious view of the fact that the U.S. has further expanded and intensified military manoeuvres and arms buildup in the Korean peninsula and its vicinity from the beginning of the year.

The U.S. is driving the situation in and around the peninsula to a phase of acute confrontation, while clamouring about the non- existent "threat from North Korea."

It intends to keep its military bases and aggression forces, legacies of the Cold War, in South Korea and Japan and reinforce and perfectly equip them for its Asia strategy.

This is well illustrated by the facts that the U.S. has decided to deploy 2,700 more troops in South Korea until 2003 and it has considered basing a latest-type missile-equipped destroyer with the aegis system in its military base of Yokoska, Japan.

In the U.S. Asia strategy the Korean peninsula is the most crucial region.

It is not fortuitous that military experts view the exercise of independence-based planes in an area of Japan similar to the topographic features of the Democratic People's Republic of Korea as an "attack exercise with North Korea as the target."

The U.S. must seek substantial steps to ensure peace and stability in the Korean peninsula and its vicinity, instead of aggravating the situation in the region through strengthened military alliance with South Korea and with Japan.

Commentary Denounces U.S.-Japan Military Ties

SK1301044696 Pyongyang KCNA in English
0418 GMT 13 Jan 96

["Japan and U.S. Advised Not To Run Amuck" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, January 13 KCNA) — The intensified military tieup between Japan and the United States is an anti-peace act going against the current trend of the times toward detente and peace, says NODONG SINMUN in a signed commentary today.

Recalling that Japan decided to stage the joint military manoeuvre "Keen Edge-96" with the United States and the two countries started reexamining the "guideline for Japan-U.S. defence cooperation" in anticipation of an active participation of the Japanese Armed Forces in the "case of emergency," the news analyst of the paper says:

The Japanese reactionaries are zealously intensifying their military tieup with the United States. What they seek in this is to convert Japan into a military power and, finally, gratify their wild ambition for "greater east Asia coprosperity sphere" which they failed to attain in the past, while keeping the U.S. troops in and around South Korea and coiling up the tension.

They are arrogantly running amuck in anticipation of the realisation of their design for reinvasion by chance. However, this is a fantastic dream.

The more zealously they resort to the moves against the Democratic People's Republic of Korea, the more disgrace it will bring to Japan itself.

The Japanese reactionaries would be well advised to ponder over the serious consequence to be entailed by their anti-DPRK moves and act with reason.

U.S.-Japan Military 'Collusion' Denounced

SK1401043296 Pyongyang Korean Central Broadcasting Network in Korean
0855 GMT 13 Jan 96

[NODONG SINMUN 13 January commentary: "They Should Not Run Amok Recklessly"]

[FBIS Translated Text] The Japanese reactionaries are more actively pushing ahead with the military collusion with the United States. As has been reported, Japan decided to conduct the Keen Edge-96 joint military exercise with the United States. Massively mobilized in the exercise — which is scheduled to be conducted from 25 January to early next month — are Armed Forces of the U.S. Army, Navy, and Air Force stationed in Japan and Armed Forces from the U.S. mainland, including the Armed Forces of the Japanese Self- Defense Army.

Concerning the military exercise, a Japanese newspaper has exposed that it has been designed as a scenario that can be applied to the joint operation by Japan and the United States for overseas invasion. In addition, Japan and the United States have begun to reexamine the guidelines for the Japanese-U.S. defense cooperation in anticipation of the Japanese Armed Forces' active participation in case of an emergency.

According to a report of Japan's YOMIURI SHIMBUM, Japan and the United States, which have strengthened military ties and collusion, are going to expand further the limit of the joint weapons development in the future. Strengthening military ties between Japan and the United States is an anti-peace act that runs counter to the present trend of the times, which is moving toward detente and peace. The United States is going to actively use the Japanese aggressive Armed Forces to achieve its Asian-Pacific strategy. In addition, taking advantage of the U.S. strategy, Japan is going to achieve its ambition of invasion.

Proceeding from this interest, the United States and Japan have strengthened military ties. In particular, Japan is running amok recklessly, cooperating on the U.S. maneuvers of war. Whenever they have a chance, the Japanese reactionaries are talking about a nonexistent threat by us. Under the pretext of dealing with it, they are more persistently participating in the U.S. war strategy, directing their arrow at our Republic. This is the problem.

During the military exercise, Japan is going to conduct the landing exercise of the Self-Defense's Armed Forces. Also, the guidelines for Japan-U.S. defense cooperation specifies that the Self-Defense Army will not only provide a direct support to the U.S. troops, but also Japan and the United States will jointly deal with any size of aggression from the beginning. This is designed to anticipate a new war on Korea.

As everyone knows, the Japanese reactionaries are zealously intensifying their military tieup with the United States. What they seek in this is to convert Japan into a military power and, finally, gratify their wild ambition for the "great East Asia coprosperity sphere" which they failed to attain in the past, while keeping the U.S. troops in and around South Korea and coiling up tension.

The Japanese reactionaries have regarded our Republic as the first target for the achievement of their ambition. They are arrogantly running amuck in anticipation of the realization of their design for reinvasion by chance. However, this is nothing but a fantastic dream.

Since the war, the Japanese reactionaries have persistently attempted to harm us, but no good result has been brought to them. The more zealously they resort to the moves against the Republic, the more disgrace it will bring to Japan itself.

The Japanese reactionaries would be well advised to ponder over the serious consequence to be entailed by their anti-DPRK moves and act with reason.

Gingrich's 'Misappropriation of Funds' Viewed

SK1401080096 Pyongyang Korean Central Broadcasting Network in Korean 0100 GMT 12 Jan 96

[FBIS Translated Text] According to a report, with the exposure of the illegal misappropriation of funds [pibopchogin chagum yoyong haengwi] by Gingrich, the speaker of the U.S. House of Representatives, strong public criticism has been touched off in the United States.

During the 1994 mid-term election, Gingrich conducted an election campaign at Georgia University through free educational broadcasts. He promised many rich voters who supported the Republican Party that he would guarantee business benefits for them in his capacity as speaker of the House of Representatives, and in turn received and used $200,000 as election funds. Prior to this, during the mid-term election in 1990, he illegally disbursed election funds.

With the exposure of these facts, the U.S. Federal Election Committee has recently indicted Gingrich on charges of violating the law on election funds; following this, many courts in the state of Georgia brought a number of law suits, large and small, against him.

At the end of December, the Ethics Committee of the U.S. House of Representatives formed a special committee to investigate Gingrich's illegal misappropriation of funds. Using this as an occasion, the voices criticizing Gingrich have resounded more loudly.

Parliamentarians from both the Democratic and Republican Parties in the U.S. Congress have criticized Gingrich's illegal misappropriation of funds. During a session of the House of Representatives to decide whether to refer him to the Ethics Committee, not only members of the Democratic Party, but also a majority of Republicans, agreed to conduct a special investigation of Gingrich.

The fact that both the ruling and opposition parties assumed a hardline position toward Gingrich is related to the presidential elections to be held this year.

The Democratic Party, assuming his illegal misappropriation of funds is good material with which to attack the Republican Party, is attempting to lower the popularity of the Republican Party through this incident.

Meanwhile, the Republican Party, to which Gingrich belongs, assumes him as a burden because of his being subject to public criticism, and is worried about the possibility of the Republican Party's political image being damaged because of Gingrich.

With the exposure of Gingrich's illegal misappropriation of funds, the Political Support Committee of the Republican Party—the organization that raises election funds for the Republican Party, which Gingrich himself once chaired—has been exposed and the rate of support for the Republican Party has sharply declined.

This being the situation, the Republican Party is trying to secure victory in the presidential election by sacrificing Gingirch, who has become a headache.

Foreign news reports pointed out that the Republican Party is attempting to give the impression to the people, who are enraged by Gingrich's illegal misappropriation of funds, that the Republican Party is strictly dealing with him, and thus recover its popularity.

CPRF Information Denounces U.S. Actions

SK1301044196 Pyongyang KCNA in English 0411 GMT 13 Jan 96

["U.S. Warned Against Military Provocations" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, January 13 (KCNA) — The secretariat of the Committee for the Peaceful Reunification of the Fatherland [CPRF] on January 12 published information No. 699 denouncing the recent military actions of the United States which are synchronised with the reckless war manoeuvrings of the traitorous Kim Yong-sam clique.

The information says the arrival of a U.S. nuclear-powered submarine in South Korea on January 1, is not a mere courtesy visit, but an open military provocation threatening the DPRK.

It recalls that the U.S. staged anti-submarine exercises in league with the puppets, and urged Japan to make active efforts to bring into shape an anti-DPRK "cooperation system" over the "threat from North Korea".

The information further says:

If the U.S. challenges the sincerity and magnanimity of the DPRK for peace with unceasing military provocations, the DPRK-U.S. relations will be further aggravated and the situation on the Korean peninsula be brought to a phase of extreme peril.

It is our faith and unshakable stand to answer the sincerity with sincerity and military provocation with strong self-defensive measure.

The U.S. should clearly see that its double-dealing tactics—its negotiations with the DPRK and military threat to it—will not work on the DPRK. And it should ponder over the grave consequences of its reckless military provocations against the DPRK.

Commentary on U.S. 'War' Maneuver Reported

SK1201124796 Pyongyang Korean Central Broadcasting Network in Korean 0854 GMT 12 Jan 96

[Commentary from 12 January edition of NODONG SINMUN: "The Wind of War That Blows as Soon as the New Year Begins"]

[FBIS Translated Text] No sooner had the new year begun than the United States began displaying ill-boding military moves around the Korean peninsula. The United States has deployed the aircraft carrier Independence and massive armed forces around the Korean peninsula. On 10 January, a U.S. nuclear-powered submarine crept into South Korea. On 1 February, the U.S. naval vessels [word indistinct] Guardian and Patriot will be deployed to a U.S. base in Japan. At the end of 1995, the United States announced that it will send to South Korea additional U.S. Army troops equal to the size of a brigade.

Meanwhile, the United States is vigorously conducting war exercises. Beginning on 25 January, the United States and Japanese Self-Defense Forces will conduct the Keen Edge '96 military exercise, which is a joint integrated command post exercise. According to a report by the Japanese newspaper AKAHATA, massive forces will be deployed during the military exercise, including the Army, Navy, and Air Force commands of the Self-Defense Force and the U.S. Forces in Japan, the U.S. imperialists' Third Marine Corps Expeditionary Force in Okinawa, and the U.S. 1st Army from the U.S. mainland. Moreover, the United States has decided to bring the Japanese Self-Defense Force and the South Korean puppet army to the U.S. mainland to conduct war exercises with them separately.

In South Korea, the U.S. and puppet forces are vigorously conducting aerial war exercises aimed at northward aggression. On 5 and 6 January, as many as 670 U.S. fighters and puppet air force planes of various types were mobilized in an aerial war exercise aimed at northward aggression. According to a foreign news report, planes apparently belonging to the carrier Independence conducted low-altitude exercises in Gumma Prefecture in Japan. The exercises reportedly are designed to attack our nuclear facilities. The growing U.S. war frenzy is an undisguised challenge against our people and the people of the world who wish for detente on the Korean peninsula.

It is a well-known fact that last year, the United States up-scaled its armed forces of aggression in South Korea and neighboring areas, ceaselessly conducted war exercises, extremely aggravated the situation of the Korean peninsula, and created a war risk. As a result, last year the Korean peninsula experienced a touch-and-go situation. The United States is trying to ignite the tense situation this year. This shows that the United States has not abandoned its attempt to crush us with force, but has become more reckless in realizing that attempt.

As proven by the U.S. plan to train Japan's armed forces of aggression in the U.S. mainland, and by its maneuver to integrate U.S.-Japan joint military operations, the United States is trying to involve the Japanese Self-Defense Force in realizing the U.S. ambition to crush the DPRK, at the cost of infringing upon Japan's peace constitution.

The South Korean puppets are seriously endangered by the strong struggle of South Korean people, who demand the truth of the secret funds scandal and the 18 May Kwangju massacre incident. The United States reinforces its armed forces and stages war exercises against us in South Korea with the aim of further instigating the South Korean puppets, who are facing a crisis and who seek a way out in a military adventure, to invade the North.

It is not accidental that a spokesman of the puppet defense ministry raved that the U.S. nuclear submarine's call at a South Korean port will demonstrate the close defense cooperation between the United States and South Korea. The United States talks about peace on the Korean peninsula, but acts in the opposite manner. We cannot but remain alert against U.S. moves.

Today, the United States is turning the Korean peninsula into the confrontation arena of a new Cold War. If the United States disregards our peace-oriented position and chooses the way of confrontation to the end, a grave situation will take place on the Korean peninsula. Then the Korean peninsula, as well as northeast Asia and the entire Asia-Pacific region, obviously will be driven to great danger.

Today, the Asian people want peace and security. If the United States continues to cling to its anachronistic maneuver to aggravate tensions and confrontation on the Korean peninsula, it will only give rise to anti-American sentiments among people in the region.

'Egging' ROK To Invade North

SK1201043696 Pyongyang KCNA in English 0424 GMT 12 Jan 96

["U.S. Military Moves Against DPRK" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, January 12 (KCNA) — The United States has dispatched the aircraft carrier Independence and other vast Armed Forces around the Korean peninsula. On the 10th, a U.S. nuclear-powered submarine arrived in South Korea. The United States announced late last year that it will additionally deploy in South Korea its land forces tantamount to one brigade. Meanwhile, joint military exercises have been brisk among the United States, Japan and South Korea.

In a commentary NODONG SINMUN today says the war manoeuvres staged by the United States from the beginning of the new year tell that it is not abandoning the attempt to stifle the DPRK with strength and is more recklessly resorting to its realisation.

And the manoeuvres are aimed at further egging the South Korean puppets, who are trying to find a way out of the crisis from military adventures, on to invade the North, the commentary notes, and goes on:

The United States talks about "peace in the Korean peninsula" but its deeds are different from this. We cannot but take a due vigilance against the act of the United States.

If the United States continues resorting to anachronistic acts to aggravate tension and confrontation in the Korean peninsula, it will heighten the anti-U.S. sentiment of the people in this region.

'Premeditated Military Provocations' by U.S.

SK1401071296 Pyongyang KCNA in English 0706 GMT 14 Jan 96

["Premeditated Military Provocations" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, January 14 (KCNA) — The U.S. imperialists Friday [13 January] brought scores of carrier-based assault planes from bases in Japan to the skies above Sangdong and Asan Bay of South Korea for a long-distance aerial striking exercise aimed at a surprise attack on the northern half of Korea, military sources said.

Also on Friday, some 60 fighter bombers of the U.S. Seventh Air Force staged an exercise of nocturnal surprise strike at main targets in the depth areas of the North in the skies above Oeyon Island and the Sangdong area, and a KC-135 strategic reconnaissance plane committed electronic and photographing espionage on the northern half of Korea as a whole.

In another development, on the same day, a group of heavy tanks and 155mm and 105mm artillery groups of the puppet army fired shells at the areas adjacent to the Demilitarized Zone in the western and central sectors of the front.

All this is premeditated military provocations of the U.S. imperialist warmaniacs and the Kim Yong-sam fascist clique designed to render the situation on the Korean peninsula strained from the beginning of the year.

U.S. Urged To Establish Peacekeeping Mechanism

SK1501045396 Pyongyang KCNA in English 0443 GMT 15 Jan 96

["U.S. Urged To Accede to DPRK-Proposed Establishment of New Peace-Keeping Mechanism" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, January 15 (KCNA) — The United States, a party directly responsible for relaxing tensions and ensuring peace in the Korean peninsula, should judge the actual situation with reason, pay due attention to the establishment of a new peace-keeping mechanism between the DPRK and the U.S. and do what it should with sincerity. If the U.S. is really ready to put a period to the belligerent relations with the DPRK and wants peace on the Korean peninsula, it should sincerely accede to the establishment of a new peace-keeping mechanism.

NODONG SINMUN Sunday says this in a signed article titled "New Peace-keeping Mechanism Should Be Set Up Immediately".

The present situation of the Korean peninsula requires immediate establishment of a new peace-keeping mechanism between the DPRK and the U.S., the paper says, and continues:

Setting up a new peace-keeping mechanism is a question that brooks no further delay.

Setting up a new peace-keeping mechanism on the Korean peninsula, an urgent realistic need, is beneficial to both the DPRK and the U.S. as well as to world peace. Therefore, it is a crime to neglect or deny the establishment of a new peace-keeping mechanism.

Only the establishment of a new peace-keeping mechanism between the DPRK and the U.S. will help bridge over the dangerous situation of the Korean peninsula. The United States should not waste time, but make a bold decision at an early date. Human conscience follows the attitude of the U.S.

U.S. Nuclear Sub, ROK Conduct Joint Exercises

SK1201142496 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 12 Jan 96

[FBIS Translated Text] According to a Seoul broadcast, the South Korean puppets and the U.S. offensive nuclear submarine that entered South Korea conducted joint anti-submarine exercises on 10 and 11 January.

The U.S. nuclear submarine, which is equipped with ship-to-ship offensive weapons and missiles capable of striking inland targets, entered Chinhae Port on 10 January. As soon as it entered the port, it conducted a provocative war exercise in collusion with the puppets.

The Kim Yong-sam traitorous clique, which is thrown into a fix, is conducting various war exercises to divert the people's attention, so it planned to conduct an antisubmarine exercise from 9 to 12 January. The U.S. nuclear submarine, which came to South Korea at such a juncture, immediately joined the war exercise and put on a frenzied display.

This shows that the U.S. nuclear submarine's call at the South Korean port is not part of a regular cruise schedule as claimed by the United States and the puppets, but a premeditated military action aimed at provoking a war of northward invasion.

U.S. Submarine Visit to ROK Viewed

SK1101144396 Pyongyang Korean Central Broadcasting Network in Korean 1225 GMT 11 Jan 96

[Commentary by Kim Ho-sam: "They Must Not Commit Acts That Obstruct Implementation of the DPRK-U.S. Agreed Framework"]

[FBIS Translated Text] According to a REUTER report from Seoul, a U.S. nuclear-powered submarine sneaked into South Korea on 10 January.

Foreign news agencies report that this nuclear-powered submarine belongs to the U.S. Seventh Fleet and is armed with anti-ship attack weapons and missiles capable of striking inland targets.

The U.S. nuclear-powered submarine sneaked, unexpectedly, into South Korea at a time when the South Korean puppets are raving more loudly than ever about rumors of southward aggression by us and frantically perpetrating war commotions. This is another military threat to us, and therefore we have no choice but to pay due attention to it.

As everyone knows, to bring an end to confrontation on the Korean Peninsula at all costs and to turn the unstable Korean armistice into a stable peace, our Republic has advanced a proposal to set up a new peace mechanism and has made every possible sincere effort to implement the proposal.

In the joint editorial released this year, we pointed out that the urgent problem that must be solved in order to guarantee peace and security on the Korean Peninsula and achieve reunification is for us and the United States to set up a new peace mechanism.

As public opinion at home and abroad fairly and unanimously points out, removing the danger of war on the Korean Peninsula and ensuring a stable peace there is an urgent request of the era that can be delayed no longer. The most important thing here is for us and the United States to sign a peace agreement at an early date and stop committing acts that are militarily threatening to one another.

Then, at the beginning of the New Year, the United States brought into South Korea a nuclear-powered submarine armed with missiles capable of striking inland targets. We cannot but think it did so out of an insidious intent. This, needless to say, is a war maneuver to increase confrontation on the Korean Peninsula. Moreover, another problem is that this act by the United States is a flagrant violation of the DPRK-U.S. Agreed Framework.

As everyone knows, the DPRK-U.S. Agreed Framework released on 21 October 1994 points out that the United States of America shall give an official guarantee to the DPRK that it will not use nuclear weapons against the DPRK or threaten it with nuclear weapons.

The fact that the United States sent a nuclear-powered submarine to South Korea is a violation of this clause and a betrayal of us.

Only a few days have passed since the agreement signed between us and the U.S.-led Korean Peninsula Energy Development Organization concerning the provision of light-water reactors. Under these circumstances, how should we interpret the U.S. act to bring the nuclear submarine into South Korea, aiming at us?

While talking about implementation of the DPRK-U.S. framework agreement in front of us, the United States committed acts of laying down behind us obstacles to its implementation. Therefore, we cannot but ask the United States if it has the will to carry out the joint documents agreed upon by both sides.

The DPRK-U.S. framework agreement cannot be implemented only by one side's unilateral efforts. The DPRK-U.S. framework agreement is a legal joint document that must be observed exactly by the DPRK and the United States together.

Such armed reinforcement and nuclear threats by the United States will only again aggravate tensions on the Korean Peninsula. Also, such an adventurous act will bring a bad result to the United States.

In recent days the United States has further strengthened military threats against us more than ever before. As is known, the U.S. West-Pacific Command has stated that it would send to the sea off the Korean peninsula this month a combat unit of aircraft carriers led by the aircraft carrier "Independence." At the same time, the Defense Department said it would additionally deploy 2,748 Army troops before 2003.

Then why is the United States doing this? The reason is as follows. The U.S. is trying to exercise influence over the Kim Yong-sam ring — which is currently in a crisis of destruction as a result of the secret fund incidents, and by inspiring the Kim Yong-sam ring to trigger a war provocation, the U.S. hopes to save the puppets, as well as continuously maintain its colonial rule in South Korea by all means. However, this can never happen.

The United States cannot save the Kim Yong-sam clique — which is nearing the end of its life — by any maneuvers, nor consolidate shaky U.S. colonial role. It would be good for the United States to act reasonably and with discretion.

The South Korean puppets should stop committing foolish maneuvers to do harm to us, relying on the might of outside forces. Such absurd acts by the puppets will accelerate their destruction. We will watch U.S. actions in the future.

Antisubmarine Exercises Criticized

SK1301040696 Pyongyang KCNA in English 0337 GMT 13 Jan 96

[FBIS Transcribed Text] Pyongyang, January 13 (KCNA) — The South Korean puppets and a U.S. nuclear-powered submarine held joint anti-submarine exercises in January 10 and 11, a Seoul-based radio said.

Upon arriving in Jinhae port on January 10, the offensive submarine conducted provocative military manoeuvres in league with the puppets.

With a view to diverting elsewhere the attention of the people the traitor Kim Yong-sam clique, driven into a tight corner, planned to stage anti-submarine exercise from January 9 to 12 on the sidelines of other various types of manoeuvres.

Synchronising with this, the U.S. nuclear-powered submarine arrived in South Korea and was called out for the manoeuvres.

This indicates the entry of the submarine into South Korea is a premeditated military action designed to provoke a war against the North, not a visit made in accordance with a "regular cruise schedule" as advertized by the U.S. and puppets.

'U.S. Nuclear Threat' Viewed

SK1301052196 Pyongyang KCNA in English 0440 GMT 13 Jan 96

["Open Nuclear Threat to the DPRK" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, January 13 (KCNA) — NODONG SINMUN today comments on the involvement of a U.S. nuclear-powered submarine in an anti-submarine drill in South Korea.

This shows that the U.S. nuclear threat to the DPRK has entered a very reckless phase, the news analyst of the paper says, and continues:

The United States promised to the whole world that it would not pose a nuclear threat to the DPRK. But, its nuclear-powered submarine participated in a frantic South Korea-U.S. combined anti- submarine exercise in South Korea. This is an open nuclear threat to the North and a wanton violation of the agreed framework between the Democratic People's Republic of Korea and the United States.

This war drill is part of U.S. premeditated moves to translate its war "scenario" against the DPRK into practice.

We cannot remain indifferent to the reckless military action of the United States and the South Korean puppets who are hell bent on the nuclear racket against the DPRK from the beginning of the new year, and are following it with heightened vigilance.

It is a miscalculation if the United States thinks that it can get something from its continued military adventure against the DPRK along with the South Korean puppets whose fates are at stake.

It must know that such an action will bring no benefit to it.

The Kim Yong-sam group must bear it in mind that the adventurous confrontation racket and the war exercises against the DPRK they are staging with outside forces will result in their own destruction.

U.S., ROK Conduct 'Aerial War Exercises'

SK1301043896 Pyongyang KCNA in English 0340 GMT 13 Jan 96

["Aerial War Exercises Against the North" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, January 13 (KCNA) — The U.S. imperialist warlikers and the South Korean puppets staged provocative aerial war exercises against the North on January 10 and 11, military sources said.

Carrier-based assault planes of the Marines of the U.S. Pacific Fleet and over 200 fighter bombers of the U.S. Seventh Air Force staged a mock air battle for air control right and exercise, striking in support of the ground attack units in the skies above the western and central sectors of the front.

In another development, the South Korean puppets let some 580 fighter bombers, assault planes and reconnaissance planes fly over Anmyon and Oeyon Islands and the Wonju area for aerial striking exercises simulating a surprising attack at the targets in the depth area of the North.

Transport helicopters and helicopter gunships of the puppet army were involved in the parachuting exercises for the infiltration into the depth area of the North and exercises of launching missiles aimed at the targets in the North, airlifting a large number of "commandoes" to the western and central sectors of the front.

All the frantic war gambles committed against the DPRK from the beginning of the year pose a grave threat to peace on the Korean peninsula.

The U.S. imperialists and the Kim Yong-sam fascist clique should look squarely at the trend of the times and act with discretion.

U.S., ROK Statements on DPRK 'Threat' Noted

SK1501111796 Pyongyang KCNA in English 1014 GMT 15 Jan 96

["Argument About 'Threats From the North' Intended To Invade North" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, January 15 (KCNA) — The argument about "threat from the North" on the lips of the United States and the South Korean puppets is intended to invade the North and it is no more than a sophism to justify their frantic provocative anti-DPRK war moves and the U.S. troops' permanent occupation of South Korea, says NODONG SINMUN in an article today.

The author of the article says:

The United States described the DPRK as a present-day major "threatening country" at the U.S.-Japan ministerial meeting held last year, and "threat from the North" was argued at a session of the U.S.-South Korea "Military Commission".

High-ranking officials of the U.S. Administration have been making a hue and cry over the "threat from the North".

This is an outcome of the U.S. hostile policy towards the DPRK. It illustrates that the U.S. imperialists persist in rushing headlong along the adventurous military confrontation against the DPRK until today when the cold war was terminated.

The DPRK has been exposed to the threat of aggression on the Korean Peninsula.

There are 40,000 U.S. troops and one million puppet troops who are on war alertness and 1,000 nuclear weapons in South Korea. Thus it has been turned into the biggest nuclear forward base in the Far East. It has been acknowledged as a most dangerous hotbed of a nuclear war.

These years, the U.S. warlikers and the South Korean puppets have reinforced the arms in South Korea on a large scale and frequently staged nuclear war rehearsals simulating an invasion against the DPRK, thus driving the situation on the Korean Peninsula to the brink of war.

Morever, what cannot be overlooked is that the traitor Kim Yong- sam ordered the entire forces of the puppet army to get the "posture for winter operation" and went up to the area of the Military Demarcation Line (MDL) to incite war fever reeling off war-thirsty outbursts.

It is as clear as noonday that the United States and the South Korean puppets are intending to light the fuse of war against the DPRK under the deceptive slogan "threat from the North".

We are watching with high vigilance the reckless military moves of the U.S. and South Korean warlikers against the DPRK.

Kim Yong-sam New Year Remarks on North Decried

SK1601054196 Pyongyang Korean Central Broadcasting Network in Korean 0854 GMT 6 Jan 96

[NODONG SINMUN 6 January commentary: "Remarks Made out of a Vicious Intent"]

[FBIS Translated Text] The traitor Kim Yong-sam of South Korea tends to recklessly rave about us in the very beginning of the year. While talking about the situation in the North, he repeatedly raves about the need to be prepared fully and assume a security posture. These distorted remarks by the loose-lipped Kim Yong-sam from the very beginning of the year are too meaningless to comment on.

However, we are compelled to say something because he makes very distorted, inciting, and slanderous remarks about us practically everyday. Kim Yong-sam had better view the phenomena and realities correctly.

As we stated in the New Year joint editorial, the entire society remains stable, and all people are single-heartedly united around the party and vigorously accelerating the general onward march to make our country, our fatherland, more prosperous and powerful.

Ignoring this emotional dynamic reality in our Republic, Kim Yong-sam made vicious slanderous and denunciatory remarks that cannot convince anyone. This only shows his insincere and incompetent state of mind.

Moreover, Kim Yong-sam's distorted remarks clearly show how mean and foolish a trick he employs to defuse the crisis facing the traitorous regime, which has been pushed to the brink of ruin.

If the traitor Kim Yong-sam had the slightest bit of reason or national conscience, he would not have employed such a mean trick as to try to defuse the destructive political crisis facing him by using his fellow countrymen.

The situation prevailing in South Korea today is very serious. As seen in the unprecedented slush fund scandal, which has shocked the world, the puppet regime is rotten to the core, and all rulers in power are very corrupt. As a result, no one trusts anyone.

All former presidents are rotten, and even the current president is rotten to the core.

The former dictators were vicious slaughterers of democracy, while the current civilian dictator is a fascist murderer and reigns over the people.

The toadyist nation-sellers exercise a vicious fascist, oppressive rule in South Korea, where outside forces reign and where national independence is being violated mercilessly. They, moreover, are corrupt politically. The people are forced to live in a hell where there is no heaven to look up to or no air to breathe.

With Chongwadae [presidential offices] occupied by the kingpin of theft, the puppet National Assembly, government, judiciary, and army are all controlled by thieves. It is clear to anyone that such a society will not last long. The flame devouring this house on the way to ruin is spreading over to Chongwadae, where the traitor Kim Yong-sam occupies.

Kim Yong-sam, in a bid to avoid this flame, is trying to divert the people's attention elsewhere under the pretext of the situation in the North. His act is, however, as foolish as lifting the axe to cut his own foot.

We heighten our vigilance against the traitor Kim Yong-sam's reckless words and deeds. This is because a mad dog may bite people. It is common sense that a man who finds fault with someone else wants to find fault with someone else.

The South Korean people must pay due attention to the fact that the traitor Kim Yong-sam is raving about the nonexistent threat from the North to get out of a blind alley.

A mad dog that may bite people exists in South Korea, in Chongwadae in downtown Seoul.

Just like one should beat a mad dog to death, the South Korean people must remove the traitor Kim Yong-sam, who makes reckless remarks in Chongwadae, instantly, so that they will be able to escape from calamities.

ROK 'Military Provocations' in DMZ Denounced

SK1201035496 Pyongyang KCNA in English 0345 GMT 12 Jan 96

["Military Provocations in DMZ" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, January 12 (KCNA) — The South Korean puppets brought in the Demilitarized Zone soldiers and heavy weapons for grave military provocations against the North on Jan. 3 and 7, military sources said.

On the tenth, the puppets installed a 90 mm recoilless gun and a 12.7 mm large-calibre machine gun at an MP post of the DMZ in the central sector of the front, levelled them repeatedly at a civil police post of the North side and People's Army soldiers.

[Words indistinct] soldiers of the puppet army, who were fully armed with machine guns and automatic rifles, wormed their way into the DMZ in the western, central and eastern sectors of the front between January

1 and 9 and incited a war fever, running wild in the area.

And a group of about 100 puppet army officers got frantic in topographic reconnaissance and mock operations against the North in the DMZ of the western sector of the front.

The puppets illegally brought in the DMZ more than 5,300 soldiers and over 1,200 military vehicles from Jan. 1 to 10.

The South Korean puppets must not act rashly but withdraw the illegally introduced soldiers and heavy weapons from the DMZ at once.

'Gravely Threatening' Policemen

SK1601063796 Pyongyang Korean Central Broadcasting Network in Korean 1222 GMT 12 Jan 96

[Commentary by Yun Pong-son: "Act of Provoking the Other Party"]

[FBIS Translated Text] The South Korean puppets have successively been conducting military provocations against us since the very beginning of the new year. According to reports, the puppets brought 90-mm recoilless guns and 12.7-mm large-caliber machine guns into a military police post on the north of the demarcation mark No. 0417 at a central front area in the DMZ on 10 January, and assumed a shooting position, taking aim at our side's civil police post and People's Army soldiers in broad daylight.

Prior to this, on 3 and 7 January, the puppets conducted similar provocations at the same military police post, thus gravely threatening the lives of our side's civil policemen. At the same time, the puppets brought scoundrels completely armed with machine guns and automatic rifles into the DMZ and fired shells of automatic rifles at random, showing their war frenzy. They also brought more than 100 puppet army officers into the DMZ to conduct geographical reconnaissance and plot a simulated operations scheme for northward invasion.

The fact that some 5,300 armed scoundrels and some 1,200 military vehicles were illegally brought into the DMZ from 1 to 10 January shows how frantically the puppets are engaged in military provocations against us. While conducting grave military provocations in the DMZ daily, the puppets have also frenziedly conducted a joint aerial war exercise aimed at carrying out a sudden preemptive stike against the northern half of the Republic and airborne operations exercise for simulated infiltration into the center of our side by a ranger corps, as well as striking exercise against targets in our side in collusion with the U.S. imperialist aggression forces, mobilizing many military planes.

This has aggravated tensions on the Korean peninsula and has created a grave situation in which war may take place at any point. This plainly shows that there have been no changes in the Kim Yong- sam puppet clique's policy for antinational North-South confrontation and war and that they will continue to pursue confrontation and war this year, too. It is well known that traitor Kim Yong-sam recently blared he would make every effort to achieve peaceful reunification. However, this is an empty talk. He is actually pursuing North-South confrontation and war of northward invasion more frantically than any other proceeding military dictator.

As has been reported, the Kim Yong-sam ring allocated 12,260 billion won for this year's war budget [chonjaeng yesan], increasing 10.7 percent from last year, and has already announced that the United States and South Korea will conduct a joint military exercise annually, beginning this year. In the recently published so-called White Paper of the Defense Ministry, the puppets openly designated us, who are their fellow countrymen, as the first enemy. The Kim Yong-sam puppet clique that openly pursue war provocation, regarding their fellow countrymen as the enemy to remove, are indeed vicious war maniacs and challengers to peaceful reunification. They are a group of national traitors with whom we cannot live together under the same skies.

The Kim Yong-sam ring are talking about peaceful reunification, dialogue, and the like, but all this is a fake and an intolerable derision of the national aspiration for reunification. They do not have the slightest will for peaceful reunification and only have the malicious intention of provoking a war of northward invasion. As an accomplice of traitor No Tae-u in his secret fund scandal and as a master thief, traitor Kim Yong-sam is a target of the people's cursing, denunciation, and punishment. He is trying to find a way out of the crisis in North-South confrontation and war maneuvers.

Frequent sparks usually cause a fire. The puppets' daily military provocations in the DMZ are conducted as an extension of their policy of war and as a deliberate maneuver to light the fuse of the war of northward invasion. The Kim Yong-sam ring's reckless military provocations will only aggravate North-South relations and hasten their ruin. If the puppets continue to worsen the situation in the DMZ, disregarding our repeated warnings, they will not avoid stern punishment. The Kim Yong-sam ring should look straight at reality and should not act rashly.

Talk Claims ROK 'War Frenzy' Reaches 'Extreme'

SK1301141196 Pyongyang Korean Central Broadcasting Network in Korean 0754 GMT 13 Jan 96

[Unattributed talk: "The War Frenzy of the South Korean Puppets Has Reached an Extreme"]

[FBIS Translated Text] The war frenzy of the South Korean puppets has now reached an extreme. As has been reported, the Kim Yong-sam puppet clique announced it will conduct a joint exercise with the U.S. Army in Texas in the middle of February.

The joint exercise, in which fully-armed South Korean puppet army troops will train with the U.S. Army in the U.S. mainland, is to be held at the request of the U.S. reinforcement forces that will be dispatched to South Korea in case of a contingency on the Korean peninsula, emphasizing the deployment of troops and the mutual performance of their duty.

Still unsatisfied with the war exercises for northward invasion in the skies, on the land, and in the seas, the Kim Yong-sam puppet clique is attempting to play a war game of fire even in the U.S. mainland, challenging the aspiration of the entire nation for peace and the peaceful reunification of the country. This shows that the war frenzy of the South Korean puppets to realize their criminal wild ambition for reunification through northward invasion, with the assistance of its U.S. masters, has reached an extreme.

The South Korean puppets rave that such a joint exercise is necessary to cope with the so-called threat from the North. How ridiculous it is! It is widely known throughout the world that the threat of aggression on the Korean peninsula is aimed at the North from South Korea, which has turned into the nuclear forward base of the U.S. imperialists.

The U.S. imperialists and South Korean puppets, who have already provoked a war in Korea, are waiting for a chance to start another Korean war. In recent years, the South Korean puppets have frequently held war conferences with foreign forces and accelerated the arms buildup. At the same time, they have continually staged dangerous games of fire aimed at putting into practice their plan for provoking a war of northward invasion, which they have already worked out with their masters.

Last year alone, the South Korean puppets and foreign forces frantically conducted provocative nuclear war exercises for northward invasion, duplicates of the Team Spirit joint military exercise such as Foal Eagle, Ulchi Focus Lens, and Hwarang, leading the situation on the Korean peninsula to a dangerous brink of war.

Therefore, the threat from the North is counterpropaganda staged by the aggressors and war servants who are frenziedly maneuvering to throw the Korean peninsula into the calamity of nuclear war in order to hide their bellicose nature and justify their new war provocation maneuvers.

It is a very grave development that the Kim Yong-sam ring is bent on a propaganda smear campaign in connection with its fictitious allegations, and is accelerating the preparations for a war of northward invasion along with foreign forces.

The traitor Kim Yong-sam is presently an object of great curse and denunciation at home and abroad as an accomplice of the slush fund scandal. The indignant voice of the South Korean people calling for the overthrow of Kim Yong-sam, the chief of thieves, rings out strongly everywhere in South Korea.

The Kim Yong-sam ring, which is isolated and rejected within and without and is cornered with no way out, is attempting to find a way out of its crisis by provoking a war of northward invasion.

Because they are such a ring of traitors, last year the South Korean puppets announced that this year they will conduct a large field maneuver in place of the Team Spirit joint military exercise.

Large amounts of troops will be poured into this fire game, which is to be held during the first half of the year as was the Team Spirit joint military exercise, and the joint military exercises of the three services of the armed forces will be conducted annually on the east and west coast.

The joint exercise that the puppets will conduct with the U.S. Army in the U.S. mainland in February is part of the provocative war exercise for northward invasion, and is aimed at bringing more troops of the aggression forces into South Korea in the future. This proves that the South Korean puppets are serving as a guide for the aggression forces, serving as filthy war servants of the U.S. warmongers scheming for northward invasion, raving about contingencies on the Korean peninsula.

By frantically maneuvering with foreign forces to impose nuclear calamity on their fellow countrymen, the Kim Yong-sam ring has revealed its nature as war maniacs. The Kim Yong-sam puppets who attempt to harm their fellow countrymen should not remain at large. That is why the South Korean HANGYORE SINMUN, exposing the fact that the puppet clique branded the North as an enemy in its new defense white paper; referred to the fact that Chongwadae [presidential offices], the puppet Agency for National Security Planning, and the puppet Foreign Ministry were involved in the preparation of the defense white paper; and stated that it is quite absurd that they regard the North—the other party to dialogue and their fellow countrymen—as an enemy and the first enemy of the army when reunification came forth as an important issue.

The Kim Yong-sam ring is attempting to find a way out of its crisis by triggering a fratricidal war, but will only bring about its destruction. The warmongers should not run wild recklessly but should act with discretion.

CPRF Denounces ROK's Military Maneuvers

SK1501050496 Pyongyang KCNA in English 0417 GMT 15 Jan 96

[FBIS Transcribed Text] Pyongyang, January 15 (KCNA) — The secretariat of the Committee for the Peaceful Reunification of the Fatherland [CPRF] in Information No. 700 on Sunday denounced the Kim Yong-sam group for staging military manoeuvres against the Democratic People's Republic of Korea from the beginning of the year.

Referring to the recent frantic confrontation and war rackets against the DPRK in South Korea, the information said:

This is a deliberate move of the Kim Yong-sam group to step up the war preparations under the pretext of the "threat from the North" and render the situation of the country to a dangerous phase.

There is no guarantee that the puppet traitor Kim Yong-sam, bereft of reason as he was driven to the extremity of the crisis, would not ignite a new war.

If the Kim Yong-sam group override the ardent desire of the fellow countrymen for peace and reunification and finally take a road of war to do harm to them in league with outside forces, trying to find a way out of the crisis from the North-South confrontation and war moves, they will face a stern judgement of history and the nation.

We will watch the reckless confrontation and war moves of the South Korean puppets with high revolutionary vigilance and deal a decisive crushing defeat to the provokers, if they dare to encroach upon the sacred sovereignty of the DPRK, mistaking our wishes for peace and reunification for weakness.

ROK Defense Minister Yi's Remarks Denounced

SK1601052296 Pyongyang KCNA in English 0441 GMT 16 Jan 96

["Reckless Confrontation Racket" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, January 16 (KCNA) — Puppet Defence Minister Yi Yang-ho of South Korea on January 13 let loose a string of belligerent remarks over a radio that "the army can check possible provocations by the North" only when it keeps a perfect alertness and readiness for operations," according to a report.

Earlier, the puppet defence ministry announced that it plans to stage a "South Korea-U.S. Joint Military Exercise" in the United States in February and a large-scale "Mobile Drill" in March in place of the "Team Spirit" joint manoeuvres allegedly to cope with possible provocations by the North, and "it is fully prepared for security."

The frantic anti-DPRK confrontation and war racket of the Kim Yong-sam group are very ill-boding moves.

The South Korean puppets never open their mouth without crying for "threats from the North" and its "possible provocations". What they seek in this is to justify their preparations for war, taking this as a pretext, and, furthermore, unleash another war.

In a joint editorial published by newspapers of the party, the army and youths on the new year, we called again for making efforts to build a pan-national confederal unified state on the basis of the three principles of national reunification — independence, peaceful reunificaton and great national unity — and the ten-point programme of the great unity of the whole nation. This appeal of ours is fully supported and approved by the people at home and abroad because it reflects our will and stand to achieve the peace and peaceful reunification of the country through the great national unity.

But the Kim Yong-sam group are again playing the old tune of wornout "unification through communisation by the North" in an attempt to gratify their wild ambition for "unification by prevailing over communism".

The argument about "unification by communisation" on the lips of the puppets is precisely intended to achieve "unification by prevailing over communism."

However, the Kim Yong-sam group are making a big miscalculation. "Unification by prevailing over communism" dreamed of by the puppets is as foolish and silly as a newborn puppy knows no fear of a tiger.

If the Kim Yong-sam group dare to start another war, preoccupied with the dream of "unification by prevailing over communism", they will be burned to death in the fire they kindle.

Criticized for 'Violent Remarks'

SK1601025596 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 15 Jan 96

[FBIS Translated Text] According to reports, puppet Defense Minister Yi Yang-ho appeared on a broadcast program on 13 January. On this occasion, he made the violent remarks that the military could deter the North's provocation only when it maintained complete vigilance and combat readiness.

Prior to this, the puppet Defense Ministry raved about the possibility of the North's provocation and stated that full preparations had been made for national security, as shown in the plans to conduct an ROK-U.S. joint exercise in February in the United States and a large exercise in March in place of the Team Spirit joint military exercise.

While making slanderous remarks about the possibility of someone else's nonexistent provocation, the Kim Yong-sam ring is frantically perpetrating anti-Republic confrontation and war commotions. This is a very ominous movement.

Lurking behind the maneuvers by the puppets, who very often rave about the North's threat and the possibility of its provocation, is the need to justify their commotions to prepare for war and, in the long run, ignite the fuse of a new war by using the North's threat and the possibility of its provocation as a pretext.

Yi Yang-ho has found fault with us, while talking about military buildup or a strategy to achieve reunification under communist terms. This is the puppets' stereotypical trick to reverse black and white and find fault with us.

The Kim Yong-sam ring is again talking about achieving reunification under communist terms, an outdated phrase, with the hidden intent of achieving reunification by defeating communism.

Achieving reunification under communist terms, which the puppets are raving about, is a renamed version of achieving reunification by defeating communism.

However, the Kim Yong-sam ring is making serious miscalculations. Achieving reunification by defeating communism, which the puppets are dreaming of, is an act as foolish as an act of a puppy trying to kill a tiger.

If the Kim Yong-sam ring dares to ignite the fuse of a war in its eagerness to achieve reunification by defeating communism, it will be burned to death in the fire it set. The Kim Yong-sam ring must clearly know what will face provokers is only shame and death.

ROK Remarks on 'Exaggerated' Damages Viewed

SK1201042696 Pyongyang KCNA in English 0415 GMT 12 Jan 96

["Unpardonable Acts Against the Nation" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, January 12 (KCNA) — The South Korean puppets are these days getting overheated in their despicable acts to prevent other countries of the world from increasing humanitarian assistance to North Korea which suffered flood damages last year, doggedly spreading the rumour that "North's food damage was exaggerated."

"Exaggerated damage" on the lips of the Kim Yong-sam group is a slushy play directed by them, and accordingly, it deserves no further consideration.

As was already reported, foreign countries rendered humanitarian assistance to the DPRK according to the reports on the damage and requests of the fact-finding group of the United Nations for assistance to flood victims and other humanitarian organisations.

As an unprecedented flood damage occured in the DPRK last year, the U.N. fact-finding group for assistance to the flood victims composed of delegations of U.N. organisations including the Department of Humanitarian Affairs of the U.N. and specialized organisations visited the DPRK to acquaint itself with the damage and confirmed and admitted that its information on the damage was correct.

Even in the difficult conditions in which traffic was blocked, the group made a tour of damaged areas in a noble humanitarian spirit and spared nothing in consoling and encouraging flood victims.

Now, international organisations including the U.N. and many countries have expressed support and sympathy for the DPRK and rendered assistance to it. This is an international usage out of noble humanitarianism.

However, the Kim Yong-sam group is finding faults with this. It is an unpardonable thrice-cursed crime against the nation and an intolerable insult to humanitarianism.

The group will certainly face a stern judgement of history for its inhuman acts against the nation and ethics.

British Against 'Whipping Up War Fever' in Korea

SK1301092696 Pyongyang KCNA in English 0907 GMT 13 Jan 96

["British Military Must Ponder on Matters" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, January 13 (KCNA) — British Defense Secretary Michael Portillo visited South Korea and Japan from January 4 to 8, according to media reports.

During the visit, he let loose bellicose utterances that "it is right that the United States and South Korea are in readiness to cope with military threat from North Korea" and Britain will "accede to their demand" in case of the outbreak of hostilities in the Korean peninsula.

We take his remarks very seriously because they came at a time when the U.S., Japan and the South Korean puppets were aggravating the situation of the Korean Peninsula under the pretext of "North Korean threat".

With the South Korean puppets, the U.S. has staged nuclear war exercises more frequently, escalating military threat to the Democratic People's Republic of Korea.

The fact has sparked deep concern among all the people who hope for world peace and security.

Nevertheless, the British military chief voiced support to the U.S. and the South Korean puppets, averting his eyes from the present situation. By doing so, he fully revealed that he is only a servant of munitions monopolies which want to increase arms sale to South Korea in return for rendering the situation of this region strained.

We take a serious view of the fact that the bellicose elements of the British military, instigated by the munitions monopolies, have been embroiled in reckless games of aggravating the situation of the Korean peninsula and Northeast Asia.

Our people and army are keeping a close eye on the British military whipping up war fever in the Korean peninsula.

Daily Urges Japan To Liquidate 'Past Crimes'

SK1201075696 Pyongyang Korean Central Broadcasting Network in Korean 0852 GMT 5 Jan 96

[NODONG SINMUN 5 January commentary: "One Can Clear Off One Infamy Only When One Fulfills One's Responsibility"]

[FBIS Translated Text] The 50th UN General Assembly session seriously discussed the question of deleting the articles on hostile states from the UN Charter. Articles 53 and 107 of the UN Charter stipulate the war criminal states of World War II, the defeated states of World War II, including Japan and Germany, as hostile states.

Our position toward the question of deleting the articles on hostile states from the UN Charter is that, although we do not oppose the question itself, Japan and Germany should not be treated on an equal footing.

Proceeding from this, at the current 50th UN General Assembly session, the DPRK delegation proposed that the UN Charter be revised in such a way so that the articles on hostile states are applied only to Japan for the time being until it has fully liquidated its past crimes.

Originally, the UN Charter's stipulation of Germany and Japan as hostile states was an effort to punish these countries' past crimes and was designed to lead them to liquidate their past crimes and to prevent them from committing crimes again in the future. However, there is a contrast between Germany and Japan in implementing such demands.

Admitting the crimes committed by the Nazis during World War II, Germany has been faithfully giving compensation for its past crimes. Based on the Federal Law on Compensation for Those Victimized by the Nazis, which went into effect on 29 June 1956, Germany began to compensate those countries and men whom it inflicted human and material damages for political, racial, and religious reasons during World War II.

Also, pursuant to the Federal Law, which went into effect on 19 July 1957, and the agreements concluded with 12 European countries, including Britain, France, and the Netherlands, in the period from 1959 and 1964, Germany has returned these countries' property that Hitler-ruled Germany divested during World War II. In the nineties, Germany began to compensate the former Soviet Union and East European countries.

Through these processes, Germany showed that it was making efforts to admit and faithfully reflect on the crimes committed by the Nazis. Thus far, Germany has actually paid compensation amounting to 100 billion marks.

Proceeding from such conditions, we believe that Germany can clear off the infamy as a hostile country because it is putting into practice the demands presented when the articles on hostile states were stipulated.

However, what is the case of Japan? Japan has failed to smoothly implement the demands presented when the articles on hostile states were stipulated. First of all, Japan has neither admitted nor liquidated the misfortune, sufferings, and disasters that the Japanese imperialists forced upon our people in the past.

As the world knows well, during World War II Japan committed brutal crimes against Asian countries and against mankind. In particular, the Japanese imperialists occupied Korea by fraudulent and illegal means and perpetrated the colonial rule over it for 40- odd years. Thus, they inflicted countless human and material damages, as well as all sorts of misfortune and sufferings, upon the Korean people.

From Korea alone, the Japanese imperialists forcibly took nearly 6 million Korean youths to battle sites and other labor camps. They killed these young men or drove them into hard labor sites.

The Japanese imperialists forcibly also took nearly 200,000 Korean women as sexual tools for the Japanese Imperialist Army. They went so far as to commit the unprecedentedly grave crime of brutally slaughtering more than 1 million innocent people.

Japan should have officially admitted, apologized for and compensated for this.

The question of deleting the articles on hostile states from the UN Charter is a serious political issue related to the liquidation of the past by those countries stipulated as hostile states. The articles on hostile states of the UN Charter does not vanish automatically as the time goes by or even if big changes take place in the international political arena. Therefore, the articles on hostile states cannot vanish unless the past crimes are liquidated.

This is the first reason why we suggest that the UN Charter be revised in such a way so the articles on hostile states are applied only to Japan for the time being.

Next, Japan has failed not only to liquidate its past crimes of having driven mankind into misfortune and sufferings and of having threatened the world's peace and security, but also to officially promise not to repeat such crimes again. Accordingly, the question of deleting the articles stipulating Japan as a hostile state is a serious political issue related to mankind's peace and security.

Precisely herein lies another reason why we have suggested that the articles on hostile states be applied only to Japan for the time being.

In spite of the discussion on the question of deleting the articles in the UN Charter on hostile states, recently unusual moves are taking place in Japan. Some Dietmen of Japan, openly babbling that the Japanese imperialists' aggression against Asian countries was to liberate them from the colonial rule of Western countries, said recently that Japan's apology for the crimes it committed in the past would constitute a distortion of history and result in sowing seeds of misfortune on the future of Japan.

On the other hand, the maneuvers to become a big military power, a nuclear big power, are being accelerated at a terrific speed in Japan. This being the situation, who can predict that Japan will not repeat the crimes it committed in the past?

Noting that Japan has no intention to adimit and reflect on the crimes it committed in the past the world's people express the worry that Japan can repeat its crimes when an opportunity presents itself. This is by no means accidental.

If the world's people allow Japan to escape from the responsibility for the crimes at the present, this will result in justifying Japan's allegation which is trying to embellish its criminal history of aggression and in encouraging its wild ambition for reinvasion. This will also run counter to the objective and principle of the UN Charter seeking the world's peace and security.

Our assertion on the articles stipulating Japan as a hostile state is also closely related to the United Nations' efforts not to leave any infamy on its activities. Japan has put up some money that its government contributes to the United Nations every year as one of the major conditions for deleting the articles on hostile states from the UN Charter. This cannot become the grounds for Japan's escape from the responsibility for its past crimes.

If the international community connives at the crimes that Japan committed in the past, without calling them into question, simply because Japan is a rich country and has contributed some amount of money to the United Nations, this will only show that money can constitute a decisive factor in solving issues in the United Nations. This will also infringe upon justice and impartiality which are vital to the United Nations' activities.

Furthermore, at a time when the UN Commission on Human Rights has adopted a resolution calling for the overall investigation of the crimes Japan committed in the past, including the crime in connection with the Korean comfort girls mobilized for the Japanese Army during World War II, and on the full compensation for these crimes, adopting a resolution on deleting the articles on hostile states from the UN Charter would be tantamount to forgiving Japan Japan for the crimes committed in the past and will contradict the United Nations' activities.

We hope that the United Nations will ponder over the question of deleting the articles on hostile states from the UN Charter and solve it prudently.

If Japan wants to clear off the infamy called a hostile state it should fulfill its responsibility, including liquidating its past crimes.

Ambassador to PRC Holds News Conference 3 Jan

SK0601044596 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 5 Jan 96

[FBIS Translated Text] On 3 January, the DPRK Embassy in Beijing held a news conference regarding the joint editorial carried by NODONG SINMUN, CHOSON INMINGUN, and NODONG CHONGNYON.

Pictures of the great leader Comrade Kim Il-song and the great leader [yongdoja] Comrade Kim Chong-il were placed in front of the conference site. Reporters from the PRC press, news agencies, and broadcasting stations, as well as foreign correspondents, took part in the news conference. During the news conference, DPRK Ambassador Chu Chang-chun made remarks and answered questions by the reporters.

'All Relief Goods' Offered by PRC Arrive

SK1301232996 Pyongyang KCNA in English 0334 GMT 13 Jan 96

[FBIS Transcribed Text] Pyongyang, January 13 (KCNA) — 435 tons of cotton worth 10 million renminbi yuan provided by the Chinese Government arrived in Sinuiju on January 10 when the work of healing the flood damage is rapidly progressing in some areas of the Democratic People's Republic of Korea and the life of inhabitants in those areas is being stabilized with conviction and optimism under the benevolent politics of the great leader Comrade Kim Chong-il.

Thus, all relief goods worth 30 million yuan which the Chinese Government decided to offer to the DPRK have arrived.

Meanwhile, blankets and medicines offered by the governments of Pakistan and India as relief goods arrived in Korea.

The relief goods were transferred to the DPRK officials concerned.

Kim Chong-il Sends Thanks to Units, Officials

SK0601044096 Pyongyang KCNA in English 0329 GMT 6 Jan 96

[FBIS Transcribed Text] Pyongyang, January 6 (KCNA) — The great leader Comrade Kim Chong-il sent thanks to several units, officials and working people including a scientific research group of Kim Chaek University of Technology, the Phyongsong Export Garment Factory, 20 War Veterans in Wonam-ri, Sinchon County, South Hwanghae Province, and Kim Sang-yong, chief instructor of Department No. 4 of the Ministry of Post and Telecommunications, for giving full play to the traditional traits of Army-people unity and communist deeds.

Comrade Kim Chong-il also sent thanks to members of rural youth workteams and sub-workteams in Anak County, South Hwanghae Province for setting an example in agricultural production last year.

Kim Cited on 'Moral Obligation of Revolutionaries'

SK1401072696 Pyongyang KCNA in English 0715 GMT 14 Jan 96

["Clear Exposition of Moral Obligation of Revolutionaries" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, January 14 (KCNA) — The great leader Comrade Kim Chong-il in his famous work "Respecting Seniors in the Revolution Is a Noble Moral Obligation of Revolutionaries" clearly expounded genuine moral obligation, the character of revolutionaries, the essential characteristics of communist moral obligation and its basic requirements, the relationship between the seniors and juniors in the revolution and the viewpoint and stand toward the revolutionaries of the previous generation, thus logically proving that respecting seniors in the revolution is a moral obligation of revolutionaries, says NODONG SINMUN in a signed article today.

The article quotes Comrade Kim Chong-il as saying:

"True revolutionaries who fight for the people and for the victory of socialism must not forget their revolutionary elders; they must defend and develop their achievements. This is the way to keep their revolutionary honour and dignity and lead the revolution to victory."

The article further says:

In the work, respected Comrade Kim Chong-il clearly expounded the truth that the relations of true moral obligation exist only between communists, revolutionaries and formulated a new idea that respecting revolutionary seniors is an inviolable obligation of revolutionaries.

Referring to the great significance of the clear exposition of the moral obligation of revolutionaries by respected Comrade Kim Chong-il, the article says:

The issue of moral obligation remained a blank in the preceding theory.

The authors of Marxism-Leninism did not raise the issue of respecting the seniors in the revolution.

In the work, respected General Kim Chong-il clearly expounded that revolutionaries are possessors of noblest moral obligation. And he gave a clear answer to what the noblest moral obligation of communist revolutionaries is. As a result, an important theoretical and practical issue which remained a blank in the preceding theory was solved perfectly and flawlessly and a guideline was provided to correct the most confused matters in the socialist practice. General Kim Chong-il authored a library on moral obligation with outstanding idea and famous words and sentences. This is a historical event which made a new phase to correct the outlook on morality which was tarnished by renegades of revolution, bring honor to the moral aspect of communists and build a new world of revolutionary moral obligation.

Kim Urges Children To Be 'Rifles,' 'Bombs'

SK1601103496 Pyongyang KCNA in English 1014 GMT 16 Jan 96

["Comrade Kim Chong-il Calls for Preparing 8 Million Youths and Children To Be Rifles and Bombs" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, January 16 (KCNA) — Respected General Kim Chong-il, the supreme commander of the Korean youth movement, has attached importance to the question of youths and children and worked heart and soul for it from the beginning of grand march in the new year.

He summoned a senior official of the Central Committee of the League of Socialist Working Youth of Korea (LSWYK) on January 1, this year, and gave him precious instructions to let the 8 million youths and children to take the lead in defending and carrying to completion the cause of Korean-style socialism this significant year, the 50th anniversary of the foundation of the LSWYK which is of great historic importance in the development of the Korean youth movement.

He gave the official teachings concerning the work of LSWYK on January 1, 1995, after seeing the year 1994 out in bitter tears. At that time he said that the party entrusts the education of the 8 million youths and children to the LSWYK Central Committee, that the party firmly believes in the LSWYK at all times and that the party makes revolution with the trust in the young people and pays a particular attention to education of the youths and children.

Two days later, he reiterated the need to firmly prepare the 8 million youths and children to be rifles and bombs so that they can take the lead in defending the party with their lives, adding that when the party, the army and the youth are strong they can do anything in the world and defeat any aggressors.

His statement that the party makes revolution with the trust in the young people is associated with the unshakable faith and revolutionary will that when the inexhaustible strength of the young men and women is brought into full play, it is possible to get through any trials and storms and emerge victorious.

Kim Il-song Cited on 'Great National Unity'

SK1501132296 Pyongyang KCNA in English 1022 GMT 15 Jan 96

["Great National Unity, Basic Guarantee for Independent, Peaceful Reunification of Korea" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, January 15 (KCNA) — It is essential for national reunification to achieve the great unity of the Korean nation, and the whole nation should turn out in a struggle to reunify the country by its own efforts, says NODONG SINMUN in a signed article today.

The article quotes the Great Leader Comrade Kim Il-song as saying:

"For the independent and peaceful reunification of the country it is necessary to achieve the great unity of the whole nation."

The article further says:

The great national unity is the basic guarantee for the independent and peaceful reunification of the country in view of the essence and nationwide character of the reunification question and because it makes it possible to build the driving force of national reunification.

The Korea's reunification question is a matter to link together the blood vessels of the nation artificially bisected by foreign forces and to achieve national reconciliation and a matter to realise the independence of the nation throughout the country.

The national reconciliation and unity based on patriotism and the spirit of national independence is precisely national reunification we want.

We want national reunification with a view to realising the independence of the nation, achieving prosperity and development common to the nation and making the entire Korean nation enjoy happiness in a reunified country. It is natural, therefore, that the entire Korean nation should struggle in firm unity for national reunification, transcending differences in political view, religious belief, ism [as received] and assertion. Those who have interests in reunification should devote their all to the great national unity so as to accomplish the cause of reunification.

The driving force of national reunification is the entire Korean nation. Nobody can solve the reunification question for the Korean nation. If the Korean people are to discharge their responsibility and role as the masters of national reunification, they should stand together as one.

The great national unity is getting all the more urgent because the separatist forces at home and abroad are maliciously seeking confrontation, division and war manoeuvrings against the nation's cause of reunification.

"10-Point Programme of the Great Unity of the Whole Nation for the Reunification of the Country" written and published by the Great Leader Comrade Kim Il-song is a charter of the great national unity which makes it possible to realise national reunification successfully through the unity of the nation. All the Korean people in the North, South and overseas should get firmly united with a single will to link individual destiny to that of the nation, warmly love the nation and defend the independence of the nation as life and soul and make a tangible contribution to the reunification of the country in accordance with their lot and circumstances under the banner of the 10-point programme of the great unity of the whole nation.

Public Security Ministry Servicemen Hold Rally

SK0601113096 Pyongyang Korean Central Broadcasting Network in Korean 2200 GMT 5 Jan 96

[FBIS Translated Excerpt] Servicemen of the Public Security Ministry held a rally at the Ponghwa Art Theater on 4 December to show their resolution to unite in one heart around the respected and beloved supreme commander Comrade Kim Chong-il, the great leader [widaehan yongdoja] of our party and people, and to vigorously accelerate the new year's general march uplifting the red flag.

Comrade Paek Hak-nim, minister of the Public Security Ministry and vice marshal of the Korean People's Army, responsible functionaries of the Public Security Ministry, and members and servicemen of the ministry attended the rally. Following a report given by Choe Hung-tok, director of the Political Department of the Public Security Ministry, general-grade officers Chang Chin-taek and Yim Chung-sok, and officers Pang Pong-son and Cha Su-yong spoke. [passage omitted]

Vow To Fully Discharge Mission

SK0601094296 Pyongyang KCNA in English 0828 GMT 6 Jan 96

["Public Securitymen Vow To Establish Revolutionary Traits of Abiding Laws in Whole Society" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, January 6 (KCNA) — Servicemen of the Ministry of Public Security have renewed their resolution to fully discharge their honorable mission and duty as political defenders of the party under the red flag of revolution, united in one mind around the Great Leader Comrade Kim Chong-il this year.

Servicemen of the ministry met here on Thursday to vow to advance vigorously in the new year in response to a joint editorial carried by the newspapers of the Workers' Party of Korea, the army and the youths.

The meeting stressed the need to make strenuous efforts to strengthen the politico-ideological, economic and military positions of Korean socialism into an impregnable fortress, upholding the slogan of struggle and advance "Let us fully display the stamina of socialist Korea under the red flag!"

The reporter and speakers said that all the public security officers should firmly arm themselves with the revolutionary idea of respected Supreme Commander General Kim Chong-il, absolutely believe and follow him and prepare themselves to be a fortress and shield of loyalty ready to become rifles and bombs for defending him with their lives so that the spirit of the anti-Japanese fighters, who safeguarded the headquarters of the revolution with their lives, may prevail in the whole ranks.

They vowed to establish the revolutionary traits of abiding laws, energetically conduct a political work among the masses so that all the people can voluntarily observe the laws and order of the state, and strengthen the function of the popular democratic dictatorship to reliably defend the position of Korean socialism in a singlehearted unity.

They called for establishing in the whole ranks the revolutionary spirit and military discipline of implementing to the last the orders and instructions of respected Supreme Commander Comrade Kim Chong-il and acting as one under his orders by consolidating the military position of socialism.

Events Marking 50th Anniversary of LSWYK Noted

SK1301102496 Pyongyang KCNA in English 1011 GMT 13 Jan 96

["50th Anniversary of LSWYK" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, January 73 (KCNA) — The young people in Korea are holding grand colorful functions to mark the birthday of their organization (January 17, 1946).

In October last year the Central Committee of the League of Socialist Working Youth of Korea (LSWYK) published an appeal, which called upon the entire members of the LSWYK and young people to add lustre to the 50th anniversary of the foundation of the league as a grand political festival of singlehearted unity.

On January 5 the young vanguard at the Chollima Steel Complex met to renew their resolution and called upon the LSWYK organizations and young people across the country to fully demonstrate the stamina of the Korean youths, who love the revolution and struggle, and to become creators of merits and young heroes and heroines in the building of socialism this year.

In response to this appeal LSWYK members and other young people in agriculture, light industry, coal, metal and power industries and all other sectors of the national economy have brought about an upsurge in production.

The "50th Anniversary of the LSWYK" electric locomotive was manufactured and many factories, minor power stations, bridges, reservoirs, fishing breeding grounds built by young people will start their operations with the grand political festival as an occasion.

A conference of the LSWYK is to be held in Pyongyang over January 17-18, at which tasks of its organizations will be discussed to strengthen and develop it into the eternal glorious youth league of the great leader President Kim Il-song under the leadership of the great leader Comrade Kim Chong-il.

Various events have taken place one after another in Pyongyang and local areas.

A national symposium was held in Pyongyang on the threshold of the 50th birthday of the LSWYK.

The participants in the symposium looked back with deep emotion upon the immortal revolutionary feats performed by President Kim Il- song and Comrade Kim Chong-il for the development of the youth movement.

They renewed the determination of the young vanguard to hold in high esteem for all ages President Kim Il-song, the founder of the LSWYK, who led the Korean youth movement along the road of victory and glory, aid become the guard detachment, death-defying corps and shock brigade of respected General Kim Chong-il as well as the five million rifles and bombs safeguarding the general with their lives in the van.

A national photo exhibition, a fine art exhibition, ten-day film show, national scientific and technological exhibition of youths and a national exhibition of students' inventions have been opened in succession to celebrate the LSWYK's founding anniversary.

LSWYK organizations across the country have issued special wallpapers and actively organized various sports events and art performances of loyalty.

Commemorative stamps were issued and literary and art works on the theme of life of LSWYK members and other young people have been created on the occasion.

Besides, [words indistinct] and a contest of marching brass bands of youth and students to be held on the anniversary are being prepared conspicuously.

"50th Anniversary on LSWYK", "We Will Always Follow the General" and other posters have been put up on streets, adding lustre to the mood of the young vanguard festival.

Kim Chong-il's Remarks Cited

SK1501131496 Pyongyang KCNA in English 1007 GMT 15 Jan 96

[FBIS Transcribed Text] Pyongyang, January 15 (KCNA) — January 17 this year marks the 50th founding anniversary of the League of Socialist Working Youth of Korea (LSWYK).

With the anniversary approaching, the Korean young people look back with deep emotion upon the undying contributions of the Great Leader President Kim Il-song and the Great Leader Comrade Kim Chong- il, who had opened a new phase of the youth movement and worked heart and soul for its strengthening and development.

The Great Leader Comrade Kim Chong-il said:

"The Great Leader President Kim Il-song pioneered the Korean communist youth movement, established brilliant traditions of the youth movement and has wisely led the youth movement of our country to a victorious road."

From the first days of his early revolutionary activity, President Kim Il-song reared a large number of young people to be young communists and led them as a vanguard to pave the way of the Korean revolution.

He formed the Down-With-Imperialism Union (DIU) with young communists on October 17, 1926 and reorganized it into the massive anti-imperialist youth league while expanding the ranks incessantly.

On August 28, 1927, he formed the Young Communist League of Korea, a new youth vanguard organization, with hardcore members of the DIU.

After the country's liberation (August 15, 1945), he advanced a unique policy on building up a massive youth organization and founded the Korean Democratic Youth League on January 17, 1946, thus closely rallying young people of broad segments as a political force.

He reorganized the Democratic Youth League into the LSWYK in May 1964 in keeping with the development of realities, so as to develop the youth organization into a mighty combatant organization struggling for socialism and communism and further enhance its role.

The Korean youth movement, under the wise leadership of Comrade Kim Chong-il, has developed onto a new high stage in the historic advance for modelling the whole society on the chuche idea.

In many works released for the strengthening and development of the youth movement, Comrade Kim Chong-il specified the communist youth movement, in essence, as the movement to carry forward and accomplish the revolutionary cause pioneered by the leader through generations, and put forward a guideline to that effect.

In line with the historic mission of the youth movement, he defined the modelling of the youth ranks on the chuche idea as the general task of the LSWYK and has energetically led the work for its fulfillment.

Attaching great importance to the work among the young people, he took all possible measures and provided all conditions for the development of the LSWYK work, including the building of bases for training officials of the LSWYK, press bases for the young people and extramural education bases for school children.

Especially, he instituted the Day of Young People (August 28), the first of its kind in the world, thereby encouraging the Korean young people with great pride and confidence.

Under so great love and wise guidance, the LSWYK has always covered the road of victory and glory over the past 50 years and a great heyday of the youth movement has been brought about in this land.

Efforts To Implement Economic Strategy Lauded

SK1301213096 Pyongyang KCNA in English 0903 GMT 13 Jan 96

["Korean People's Efforts To Implement Economic Strategy" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, January 13 (KCNA) — The working people of Korea are cementing the economic position of Korean-style socialism from the beginning of the new year, holding the red flag of the revolution high.

It is a basic task to be held fast to by those in the economic domain this year, too, to carry through the revolutionary economic strategy of the Workers' Party of Korea, which will improve the living standard of the people and consolidate the foundation of the nation's independent economy rock firm.

This is the third year after the economic strategy was put forward.

The Korean working people are turning out in the campaign to implement the agriculture-first, light industry-first and foreign trade-first policy.

The great leader President Kim Il-song said:

"By carrying out the revolutionary economic strategy of our party during the period of adjustment for socialist economic construction we will consolidate the foundations of the nation's independent economy rock-solid, further improve the people's standard of living to meet the socialist requirements and secure a new launching point for scaling a higher eminence of socialism."

In response to the call of the farmers of the Samjigang Cooperative Farm in Chaeryong County, South Hwanghae Province, the agricultural working people across the country have been resolved to implement their great assignments for this year's agricultural production with success and are now busying themselves with preparations for farming, carrying manure out to paddy and non-paddy fields.

The whole country is rendering a helping hand to the rural areas.

On the first day of the new year, working people of the capital sent medium- and small-size farm implements and manure to neighbouring farms by more than 1,000 lorries.

Measures are being taken in various domains of the national economy to provide in time farming materials needed for preparations for the forthcoming farming.

Light industrial factories are operating at a full capacity, a high and steady rate of production is being maintained and the variety of consumer goods is increasing.

The Pyongyang textile combine sets itself a goal to increase the variety of its goods this year to more than 301.

The production of vinalon, vinyl chloride, caustic soda and other chemicals has been increased so as to provide a sufficient amount of them to light industrial factories.

Progressing apace is the work to radically increase the production of export goods and extensively develop the processing trade.

Mines and enterprises in Tanchon with a rich deposit of lead, zinc and magnesia clinker and other resources needed for exports are overfulfilling their assignments for production these days.

Innovations are being effected daily in the coal, metal and electric power industries and rail transport, which plays a key role in the implementation of the economic strategy of the party.

Plans for mineral production are being carried out at 120 percent and those for coal production at more than 170 percent.

The Korean working people are expediting their onward movement this year, resolved to demonstrate the stamina of socialist Korea by bringing about a new great upsurge in all domains of economic construction.

Party-Building, Leadership Continuity Discussed

SK1201104296 Pyongyang NODONG SINMUN in Korean 7 Nov 95 p 3

[Article by Pak Nam-chin: "The Achievements of the Great Leader [suryongnim] Who Built Our Party in a Promising Way"]

[FBIS Translated Excerpt] In his classical work "The Workers Party of Korea Is the Party of the Great Leader Comrade Kim Il- song," the great leader [yongdoja] Comrade Kim Chong-il elucidated the immortal party-building achievement of the great leader Comrade Kim Il-song who built our party in a promising way so that the cause of the party can be firmly inherited generation after generation. [passage omitted]

The significant achievement of the great leader Comrade Kim Il- song, above all, is that he has provided us a powerful ideological and theoretical tool with which we can build our party in a promising way.

There should be a correct ideological and theoretical guiding principle in order to build a party in a promising way. All questions of principle should be clearly elucidated to build a party in a promising way and this should be used as an ideological and theoretical tool. Only then is it possible to build the party into a promising party which will invariably inherit the cause of the leader, the cause of the party, generation after generation.

The great leader regarded guaranteeing continuity in party- building as one of basic principles of our party-building work and profoundly elucidated the task of inheriting the monolithic nature of the party's ideology and leadership, the task of defending the revolutionary tradition of the party, the task of inheriting and developing it, and all other theoretical and practical issues related to these tasks. This is a programmatic guiding principle which we should firmly adhere to in the struggle to build our party in a promising way.

Guaranteeing continuity in party-building means that the lineage of the party is purely inherited throughout the entire course of party-building and the important principles of party-building are consistently maintained. What is essential in guaranteeing continuity in party-building is inheriting the monolithic nature of the party's ideology and leadership. Guaranteeing the monolithic nature of ideology and leadership is a basic principle of the working class party-building which should be invariably inherited throughout the entire course of the development of the party.

In guaranteeing continuity in party-building, in addition to inheriting the monolithic nature of ideology and leadership, defending, inheriting, and developing the lineage of the party and the revolutionary tradition of the party are also very important. The cause of the party develops ceaselessly and this development is achieved through the course of inheriting, developing, and enriching the lineage of the party and the revolutionary tradition of the party.

Guaranteeing continuity in party-building is an essential requirement for correctly inheriting and consummating the cause of the party, generation after generation by the party of the working class. The parties of the working class degenerated in some countries where socialism was being built and the causes of these parties were foiled. This was primarily due to the fact that continuity was not guaranteed in party-building. In some countries, the achievements of their leaders were obliterated, the authority and prestige of their leaders were defamed, and the lineage of the parties was not inherited purely. The lesson of history clearly shows that the lineage of the revolution is severed; renegades to revolution emerge to ruin the cause of the leader, the cause of the party, if continuity is not guaranteed in party-building. This is proof showing the correctness of the great leader's chuche-oriented party-building ideology and theory on guaranteeing continuity in party-building. [passage omitted]

What is essential in building the party in a promising way is correctly settling the issue of inheriting the leadership of the party. Inheriting the leadership of the party means selecting a successor to inherit the position and role of the political leader [suryong] of the party, and provide an organizational and ideological foundation and a leadership system so as to put the successor's leadership into practice. Only by selecting a successor boundlessly loyal to the leader [suryong] and capable of brilliantly inheriting and developing the cause of the leader [suryong] and by providing an organizational and ideological foundation and a leadership system so as to put the successor's leadership into practice can it be possible to avoid the degeneration of a party and to consummate the cause of the party. The lesson from the international communist movement shows that the party is trifled by renegades and its cause is foiled if a successor is not correctly selected or if a successor is selected without the establishment of an organizational and ideological foundation for a leadership system to put the successor's leadership into practice.

Today, true world revolutionaries and progressive people unanimously say that only the Workers Party of Korea has brilliantly achieved the theoretical and practical solution of the question of inheriting the leadership of the party.

It is a proud fruition of the greatness of the respected and beloved Comrade Kim Chong-il and the insight of the great leader that our party has excellently settled the issue of inheriting the leadership of the party according to the aspiration of the era and people.

The great Comrade Kim Chong-il is a faithful successor to the leader [suryong] and is a talented and capable leader [yongdoja] who is endlessly loyal to the leader who founded the party and pioneered the revolutionary cause, and who has the genius for brilliantly inheriting and developing the chuche revolutionary cause. [passage omitted]

Today, the great leader Comrade Kim Chong-il, with lofty authority, is leading the revolution and construction along the single road of victory. Our party which holds the great Comrade Kim Chong-il in high esteem at the head is indeed an invincible party which has a might to brilliantly inherit and consummate the chuche revolutionary cause generation after generation.

Loyally upholding the ideology and leadership of the respected and beloved supreme commander Comrade Kim Chong-il is a decisive guarantee for brilliantly inheriting and consummating the chuche- oriented party-building revolutionary cause generation after generation. Only with respected and beloved Comrade Kim Chong-il will there be our promising party which would invariably inherit the cause of the leader and there be a bright future of the chuche revolutionary cause. Our party and people will brilliantly inherit and consummate the chuche revolutionary cause generation after generation by loyally upholding the ideology and leadership of the great leader Comrade Kim Chong-il.

South Korea

U.S. Accused of 'Castigating' Copyright Law

SK0901044096 Seoul THE KOREA TIMES in English 9 Jan 96 p 9

[Report by staff reporter Yi Chang-sop: "Seoul, DC Locked in Copyright Disputes"]

[FBIS Transcribed Text] Washington is again castigating Seoul's book, painting, film and music copyright protection provisions.

The point in dispute is Korea's Copyright Act, which was revised by the National Assembly last year. In accordance with the World Trade Organization's recommendation, Korea decided to protect the intellectual property rights of writers, artists, musicians and software developers for 50 years after their deaths.

Under this rule, Seoul must also protect foreign copyrights retroactively from 1946 on. However, Seoul officials said that the revised copyright act will apply only from 1957 on as this was the year the nation's first Copyright Act was passed.

Washington, in league with other WTO members, holds that Korea's posthumous copyright protection period should apply as of 1947. Seoul officials argue that it is illogical for Korea to protect the copyrights of books, records, paintings and movies created during the 1947-1956 period when no copyright act existed in Korea. In view of the fact that Koreans were not protected from copyright violations, Korea was in no position to protect foreign copyrights during the period in question, opined an official of the Ministry of Culture and Sports.

Even if Seoul accepted the American request, the National Assembly would have to revise the Copyright Act again this year, which is highly unlikely.

Seoul officials said the United States is taking on the issue in preparation for its presidential election although there are no practical or material benefits to be derived from it. It is a dispute over principles and rationale, analysts here said. Ministry of Culture and Sports officials said they had no intention to renegotiate the matter with the United States.

'Informed Source' on North, U.S. Secret Talks

OW0701024796 Tokyo YOMIURI SHIMBUN in Japanese 6 Jan 96 Morning Edition p 7

[Report by Ichiro Ukei]

[FBIS Translated Text] Seoul, 5 Jan — As of 5 January, it has been disclosed that high-ranking officials of the United States and the DPRK (North Korea) conducted secret talks on conditions for improving bilateral relations in the United States last November, and steady progress is now being made in improving the relations between the two countries based on this scenario. This has been disclosed by an informed source in Seoul. It is observed that this scenario is supported by North Korea's recent announcement of its decision to participate in the Atlanta Olympics. As far as the ROK Government is concerned, it has informed the U.S. side of its position that a precondition for any progress in the improvement of U.S.-DPRK relations is progress in the South-North dialogue, thereby hoping to check a hasty approach between the United States and North Korea.

According to the informed source, North Korea has been forced to pursue a very difficult economic management policy due to serious flooding last summer, and it has taken the improvement of its relations with China and the United States as its top tasks. While negotiations were held between North Korea and the Korean Peninsula Energy Development Organization (KEDO) on the provision of light-water nuclear reactors in mid-November of last year, talks were also held between high-ranking officials of the U.S. State Department and the North Korean Foreign Ministry. The North Korean side demanded that the economic sanctions be greatly eased as the next step in improving bilateral relations.

In response, it is reported that the United States made the following demands as preconditions: (1) Return of the crew members of the ROK fishing boat "Usong No. 86", as this issue has become an obstacle to the South-North dialogue; (2) to search for and return the remains of U.S. servicemen who are listed as missing in action from the Korean conflict; and (3) North Korea's declaration of abandoning terrorist acts.

With regard to the first demand, the crew members were returned via Panmunjom on 26 December following the North Koreans unilateral notification to the ROK. Moreover, in regard to the second demand, it is reported that senior U.S. and North Korean military officers are scheduled to hold consultations on the issue in Hawaii in early to mid-January. Furthermore, an accord was eventually signed on 15 December on the provision of light-water nuclear reactors, with the North Korean side agreeing to withdraw its additional requests connected with power-transmission equipment. In addition, North Korea has announced its decision to participate in the Atlanta Olympics. Taking these moves of the North Korean side as favorable signs of its cooperative approach toward the international community, the U.S. State Department has begun showing a positive view toward the provision of food as humanitarian aid.

Meanwhile, North Korea has completely ignored the issue of resuming the South-North dialogue with the ROK. On the contrary, it has intensified its denunciation of the ROK Government for its negative approach toward the flood relief work. As far as the ROK Government is concerned, it is strongly opposed to moves toward improving relations between the United States and North Korea if no progress is made in the South-North dialogue.

At the talks between ROK Foreign Minister Kong No-myong and U.S. Ambassador to the ROK James Laney in Seoul on 4 January, the ROK side reportedly stated its strong concerns over the appeasing approach of the United States toward North Korea. At the upper-working-level consultations between the United States, Japan, and the ROK scheduled to open in Hawaii on 24 January, coordination of the policy toward North Korea will probably be the top priority.

Report on Secret U.S.-DPRK Pact Denied

SK0601085596 Seoul YONHAP in English 0828 GMT 6 Jan 96

[FBIS Transcribed Text] Seoul, Jan. 6 (YONHAP) — The Ministry of Foreign Affairs said Saturday that a new story reported by Japanese daily YOMIURI SHIMBUN is not true.

YOMIURI reported in its Seoul dispatch on the day that North Korea and the United States agreed on conditions for improving bilateral relations in secret talks in mid-November when the Korean Peninsula Energy Development Organization (KEDO) and North Korea made negotiations on the provision of light-water nuclear reactors to the latter.

The ministry said that there has never been no agreement [as received] on improving bilateral ties between Washington and Pyongyang through secret talks, except for the U.S.-North Korea basic agreement signed on Oct. 21, 1994 in Geneva.

Washington is closely cooperating with Seoul pertinent to a principle that the improvement of bilateral relations between Washington and Pyongyang would be driven in parallel with the advancement of inter-Korean ties, it added.

DPRK's Improved Relations With U.S. Viewed

SK0601231296 Seoul SEOUL SINMUN in Korean 6 Jan 96 p 5

[Report by correspondent Yi To-yon]

[FBIS Translated Text] Following the conclusion of the negotiations on supplying light-water reactors to North Korea, North Korea and the United States are likely to take full-fledged actions to improve relations. This is supported by the fact that Yi Hyong-chol, director of the American Affairs Bureau of North Korea's Foreign Ministry, will visit Washington on 5 February. North Korean officials occasionally visited the United States in the past, most being invited to meetings held by religious organizations, holding nonofficial meetings with U.S. officials at these meeting places. However, it appears the pattern of contact between North Korea and the United States is changing.

A North Korean military representative will visit Hawaii in mid-January under the pretext of technical discussions with the U.S. Army Central Identification Laboratory on identifying the remains of U.S. soldiers from the Korean war. It is striking for a North Korean military representative to enter U.S. territory. Meanwhile, visits by U.S. officials to North Korea are also being promoted with regards to the repatriation of the remains of U.S. soldiers.

The Washington visit by American Affairs Bureau Director Yi Hyong-chol is symbolic on a higher level. If he meets in Washington with U.S. State Department officials in charge of making policy on the Korean peninsula, and discusses pending issues such as rice aid and the establishment of liaison offices, it means the acceleration of the normalization of North Korea-U.S. relations.

North Korea has lately been creating an atmosphere for improving its relations with the United States by concluding an agreement on the supply of light-water reactors and repatriating the '86 Usong' crew. On the other hand, North Korea continues to slander the ROK, showing no regard for improved inter-Korean relations.

The ROK, the United States, and Japan will hold a high-level policy meeting in Hawaii on 24 and 25 January to discuss rice aid to North Korea and other policies toward the North. The current position of the United States and Japan is that they should provide rice aid to North Korea in order to ensure security on the Korean peninsula. However, our side still adheres to its official position that it cannot provide aid to North Korea unless preconditions, such as the holding of dialogue between the South and North Korean authorities, are fulfilled. The speedy improvement of North Korea-U.S. relations would make it difficult for our side to adhere to such principles. We cannot but promote the improvement of South-North relations in accordance with the improvement of North Korea-U.S. relations. It is expected that the forthcoming three countries' policy meeting will focus on this.

Within the government, some are concerned about the U.S. moves that seem to welcome North Korea's gesture of hastening the improvement of relations with the United States. They view the U.S. moves in connection with the U.S. presidential election slated for this year. However, the government's position is that it will carefully watch them while remaining reassured about the steadfast ROK-U.S. cooperation.

U.S. Move To Lift Sanctions on DPRK Viewed

SK0901042996 Seoul CHUNGANG ILBO in Korean 9 Jan 96 p 3

[Article by reporter Choe Won-ki: "U.S. Consideration of Lifting Economic Sanctions on North Korea—Emergency Blood Transfusion for the Seriously Ill Patient's Survival and for Persuasion"]

[FBIS Translated Text] The U.S. strategy toward the Korean peninsula appears to be heading in the direction of "helping North Korea stay alive." This policy of Washington is being revealed in its card of food aid to North Korea and its consideration of the gradual lifting of economic sanctions on North Korea, including the granting of most favored nation (MFN) status. Therefore, the ROK Government's North Korean policy insisting on the principle of resolving inter-Korean matters by the parties concerned of the North and the South is likely to confront strong adverse winds this year more than ever before.

The most conspicuous aspect of the U.S. plan to ease economic sanctions on North Korea is that the extent of Washington's measures in the exploration of its relations with North Korea far exceeds our expectation. The U.S. consideration of easing economic sanctions on North Korea itself is not new. The two countries agreed on the gradual easing of economic sanctions in the North Korean-U.S. Geneva agreement signed in October 1994. As a result, the United States partially lifted sanctions on communications on 20 January 1995.

Since the agreement on the provision of light-water reactors was signed in December 1995, additional lifting of economic sanctions was anticipated. However, it is somewhat shocking that the U.S. list of lifting economic sanctions on North Korea includes the granting of MFN status as well. The U.S. consideration of lifting economic sanctions indicates that Washington's policy will be directed toward helping provide the North Korean system with a "soft-landing" for the time being. In other words, the United States, which regards North Korea as "an airplane in trouble," is trying to prevent the plane from crash-landing by supplying fuel and food for the plane for the time being.

The problem is that the development of this policy by the United States could make Seoul feel alienated and lead the ROK people to suspect that such a policy might lead to the perpetuation of national division. Since Kim Il-song's death in July 1994, North Korea has persistently pursued the strategy of alienating South Korea. Therefore, no matter how closely the United States may consult with South Korea, the North Korean-U.S. contact gives an impression that it is basically the North Korean-U.S. approach.

It is unlikely that the massive lifting of economic sanctions by the United States will come about during the first half of the year. For instance, the granting of MFN status is in breach of the U.S. Congressional "Jackson-Vanik" Law. The law, which was adopted in the midseventies, stipulates that "MFN status shall not be granted to any state whose system does not employ a free market economy or blocks the free emigration of its people." To permit trade between North Korea and the United States, the law on trade with hostile nations should be altered or abolished. However, since [U.S.] elections are slated for this year and because the Republican Party has the majority of seats in the U.S. Congress, it is unlikely that the law will be revised during the first half of the year. Moreover, the United States has to consider the position of the ROK Government as the [ROK] general elections are to be held in April.

Considering these points, the United States will probably lift the freeze on the North Korean assets [in the United States] and permit North Korean-U.S. financial transactions, which will be made possible by a government decree, during the first half of the year, and take second-stage steps during the second half of the year depending on the North Korean attitude. The frozen North Korean assets amounting to $14 million consist of the money deposited in U.S. banks in the name of North Korean residents in the fifties; when the Korean war broke out, the U.S. Treasury Department froze the assets according to the regulations.

Experts warn against the U.S. move to lift economic sanctions on North Korea, noting that it should come about through close prior consultation with South Korea and with extreme prudence. Chong Yong-sik, senior fellow at the Samsung Economic Institute, said: "A step like the granting of MFN status has enormous political impact rather than economic impact. The United States ought not to send a wrong signal to Pyongyang."

U.S. Ambassador Laney on U.S.-DPRK Ties

SK1001013796 Seoul THE KOREA TIMES in English 10 Jan 96 p 2

[By staff reporter Son Ke-yong: "ROK, U.S. Not at Odds Over Rice Aid Issue: Amb. Laney"]

[FBIS Transcribed Text] U.S. Ambassador to Seoul James Laney said that the current difference between Seoul and Washington on the issue of additional rice aid to Pyongyang results from their "different experiences."

"The ROK has already given North Korea rice and the effort was not appreciated. The attitude (of North Korea) was terrible," Laney said in a lecture at Korea University Monday.

During the hour-long speech, Laney criticized the Korean press for carrying only "hyperbolic and negative" images of the United States, thus giving the general public misconception on the friendly ties between Seoul and Washington.

Denying the press reports that Washington is pressing Seoul to agree to additional rice aid to the North, he stressed that Seoul and Washington are not "at odds" on the issue.

"The question is how all of us including the United Nations will assist North Korea in a way that doesn't perpetuate its military on the one hand and helps the people who are most at risk on the other," he said.

Noting that the issue should be deliberated during the highest-level policy-setting process, Laney said that there must be at least guarantees that such rice should be offered to the North Korean people.

South Korea, Japan and the United States are expected to meet in Hawaii Jan. 24-25 to discuss additional rice aid to North Korea. As Seoul strongly maintains that inter-Korean dialogue should resume first prior to such aid, it is still in question whether the three countries could reach a consensus over the issue.

Ambassador Laney ruled out any possibility that Washington will lift sanctions imposed on North Korea "anytime soon," despite the "agreed framework" in Geneva which calls for the establishment of liaison offices and gradual normalization of ties.

He also said that it is impossible to predict when liaison offices will be exchanged between Washington and Pyongyang.

The ambassador stressed that inter-Korean dialogue should "go hand in hand" with the exchange of liaison offices even though it is not a condition.

As for the presence of American troops in Korea, the ambassador said that, as President Bill Clinton has stated, American troops will stay here in Korea as long as the Korean people want them.

"Since his announcement, we have said in several policy statements issued in Washington about U.S. interests in having American troops remain in Japan and Korea during the foreseeable future into the next century," he said.

Noting that American troops' presence is a basis for stability in this region, Laney said that it has been advantageous to South Korea.

"All of us know if the American troops withdraw from the Korean peninsula at any time, it will leave a vacuum. Who's going to fill the vacuum? Will it be China, Russia, Japan or Korea," he said.

In order to forestall a possible arms race among those three or maybe four, the "welcome" presence of the American forces here in Korea is a very "stabilizing and pacifying" factor, he said.

The ambassador said that threats from North Korea remain about the same, which makes Korean and U.S. troops remain vigilant and ready to deter any adventurism from the North.

However, Laney said, "I don't think that North Korea right now shows any signs of serious preparation for a military invasion, any more than the past. All of us are concerned if the food shortage worsens over the next several months and this puts pressure on the government, the possibility of instability increases. We have to watch that very carefully."

Ambassador Laney said that he will [be] very happy if Korea is granted a visa waiver. "First of all, everytime I see a line back in the embassy, I am embarrassed," he said.

The ambassador stressed that all embassy staffers are doing their best to reduce the visa line during the past several months.

"Even today after having closed because of the budget crisis, the whole line was gone by 1 o'clock. We processed 3,400 visas today and we interviewed 1,031 students who want to go to the States today. Our people were there in the morning at 7 o'clock and we think we are able to catch up," he said.

Pledging he will spare no efforts, Laney said that Koreans will also have to work on the U.S. Congress to vote for a visa waiver for Korea.

Daily Analyzes Emergence of Military in DPRK

SK0801151396 Seoul SEOUL SINMUN in Korean 8 Jan 96 p 16

[Article by Yu Kon-kol, researcher in SEOUL SINMUN Unification and Security Research Institute: "Today's North Korea"]

[FBIS Translated Text] Who is ruling North Korea? Is it Kim Chong-il or the military that rules North Korea? Although one year and sixth months have passed since Kim Il-song died, Kim Chong-il has not succeeded to power, and under these circumstances the influence of the military is increasing with each passing day, thus attracting people's curiosity.

North Korea's New Year message, which was announced in the form of a joint editorial on 1 January, called Kim Chong-il the "head of the party," and North Korean Ambassador to China Chu Chang-chun on 3 January suggested that Kim Chong-il will succeed to power after July. Furthermore, participants in the rally of the Ministry of People's Armed Forces held on 4 January pledged "to firmly establish Kim Chong-il's leadership system." In view of all this, indications that supreme power held by Kim Chong-il is wavering cannot be found anywhere at present. However, there are many indications that under the North Korean system in which the party holds a superior position over the military, the influence of the military is being gradually strengthened while the party has been left powerless. It is a dominant view of ROK Government authorities and experts in North Korean affairs that the rise of the military within North Korea's power structure is an alarming development. North Korea is overwhelmed by serious social unrest due to economic difficulties that can hardly be overcome and due to serious food shortages caused by the great flood last summer. Thus it is observed that under these circumstances the military came to the forefront of power by creating tensions at home and abroad in order to maintain the system. As a result of this, the center of power has moved from the party to the military, and Kim Chong-il, who lacks Kim Il-song's charisma, is implementing military emergency rule [kunsa pisang tongchi], relying on the military.

The chairman of the National Defense Commission has the prerogative of supreme command of the North Korean Army, and Kim Chong-il holds this position.

He commands the Armed Forces also as supreme commander. As he has not assumed the presidency and the post of general secretary of the party, he hands out all orders in the name of supreme commander of the Armed Forces. Under these circumstances in which Mao Zedung-like military rule is implemented, the military has created the central axis of power, pushing aside the party, and the group of four vice marshals, including Chief of General Staff Kim Yong-chun, and it controls the axis, thus exercising enormous influence. Those who are known as the rising stars are Kim Yong-chun (64); Kim Kwang-chin (69), first vice minister of the People's Armed Forces; Cho Myong-nok (66), director of the General Political Bureau in the People's Armed Forces; and Yi Ha-il (66), director of the party's Military Affairs Department. They are all from the second generation of the revolution and are in their sixties.

Chief of General Staff Kim Yong-chun abruptly came to the fore last year, thus attracting people's attention. Since he was promoted to general in 1992, he was occasionally cited as a member of the Funeral Committee when Kim Il-song died in 1994 and when O Chin-u died last year. His positions within the military have not been revealed at all.

However, during the reshuffle of high-ranking military officials held last year in the wake of the 50th anniversary of the founding of the party, he was promoted to vice marshal and appointed to the important position of chief of the General Staff.

Kim Kwang-chin is a close associate of Kim Chong-il. When Minister of People's Armed Forces O Chin-u died, Kim was considered the most likely successor to O Chin-u. However, after Choe Kwang, his senior, was nominated as minister, Kim Kwang-chin was appointed to the post of Choe's assistant. Nevertheless, it is generally believed that Kim Kwang-chin practically supervises the Ministry of People's Armed Forces. Choe Kwang (78), who has special relations with Kim Chong-il, was promoted to marshal merely for the sake of honorable treatment, and the real power holder in the Ministry of People's Armed Forces is none other than Kim Kwang-chin.

Cho Myong-nok, who holds the important position of supervising all political operations work for military units, held the post of Air Force Commander for 17 years from 1978 to 1995. Thus, he is well versed in air force affairs. He is also known to have the ability to command ground forces. Together with Kim Yong-chun, Cho Myong-nok is playing the important role of one of the two mainstays in the Ministry of People's Armed Forces.

Yi Ha-il, director of the party's Military Affairs Department, is known to be the most influential figure in military affairs within the party. He has been director since 1987. He is a member of both the party's Military Committee and the National Defense Commission, and enjoys deep trust from Kim Chong-il.

As for general-grade officials, Won Ung-hui, Kim Chong-il's assistant for military affairs; Yi Pong-won, deputy director of the General Political Bureau in the Ministry of People's Armed Forces; Kim Myong-kuk, commander of the Pyongyang Garrison; Chang Song-u, commander of the Third Corps, who commanded military units that participated in the parade commemorating the 50th anniversary of the founding of the party; Pak Ki-so, member of the party's Military Committee; and Kim Ha-kyu, are posted to core positions and are exercising great influence.

Concerning the rise of the military, Chong Yong-tae, researcher at the National Unification Research Institute, pointed out that "in the event that social confusion is touched off following the collapse of the Kim Chong-il leadership system due to food riots and so forth, the military will actively interfere and repress the disturbances," thus raising the possibility of a loyalist military coup d'etat.

Nevertheless, it is a general observation of experts in North Korean affairs that even the increased influence of the military will not become greater than Kim Chong-il's leadership power. This is because as long as the North Korean people recognize Kim Il-song's charisma, they cannot possibly consider rejecting Kim Chong-il.

Russian Reporter Describes Life in Pyongyang

First Installment

SK0601104696 Seoul KYONGHYANG SINMUN in Korean 6 Jan 96 p 6

[First installment of the "Pyongyang Report" written by Aleksandr Valiyev, name as transliterated, who worked as an ITAR-TASS correspondent in Pyongyang for one year and eight months; report translated from Russian into Korean and summarized by reporter Kim Chol-ung in Moscow; first paragraph is KYONGHYANG SINMUN introduction]

[FBIS Translated Text] KYONGHYANG SINMUN has obtained a report on life in Pyongyang written by Aleksandr Valiyev, who recently returned from Pyongyang to Russia after working there as an ITAR-TASS correspondent for one year and eight months. KYONGHYANG SINMUN will carry the report in a number of installments. Reporter Valiyev was one of four foreign correspondents posted in Pyongyang. He will give us a vivid description of his experience in North Korea. The other three foreign correspondents in North Korea include two from the PRC's XINHUA News Agency and one from RENMIN RIBAO.

The number of foreign residents or visitors in Pyongyang has decreased drastically in the last five years, mostly because of political and economic changes.

Formerly communist countries are sending more delegations to South Korea since they established diplomatic relations with the ROK. Enraged by this, Pyongyang has denounced the increasing contacts as a betrayal of socialism and has reduced political exchanges with these countries, which has also resulted in reduced economic ties.

When the Soviet Union established diplomatic relations with the ROK in 1990, North Korea summoned all North Korean students studying in the Soviet Union. Since then, the Soviet Union, later Russia, used hard currency in trade transactions with North Korea. This had an immediate effect on economic relations between the two countries. For example, there were about 1,500 Russians residing in Pyongyang in 1990, but by 1995 the number had dropped to less than 300. The same goes for other countries. Many countries closed down their missions or moved their offices to Beijing.

There are few high-level foreign delegations visiting Pyongyang these days. Most delegations that come drop by as part of visits to Beijing. The number of tourists has also decreased, and most hotels are empty in the summer and winter. Most tourists are Koreans residing in the PRC or Japan.

North Korean people are hostile to strangers. Foreigners' activities are very limited. The situation in North Korea makes traveling uncomfortable.

Russian-resident Koreans told me they were under the tight surveillance of North Korean tour guides when they visited Pyongyang. They were not allowed to go outside of the hotel after lunch.

It appears that North Korean authorities block contacts between foreign visitors and residents to prevent the spread of "unfamiliar bourgeois ideology." Foreigners staying in North Korea for a longer time are all under the tight surveillance of North Korean intelligence authorities.

It is not unusual for a foreigner to be shadowed by intelligence agents. Hotel guests' luggage is checked when they first check in. Foreign residents frequently discover that their apartments were checked during their absence.

The foreigners' apartment in East Pyongyang is wiretapped. All foreigners know about this, but decide to tolerate it. They even joke about the wiretapping. My first visit to Pyongyang was in 1985 with a students group. We left our belongings and passports in the hotel and went out for a walk. When we returned, my passport was in the pocket of my friend's clothes, and his was in mine. His room was across from mine.

Another friend left $50 on the refrigerator and found when he returned that it had disappeared. He cursed aloud toward a place that he believed a microphone was concealed. The next day he found his $50 returned on the refrigerator.

Usually, foreigners can only contact foreigners. Diplomats send official letters to the North Korean Foreign Ministry when they need cooperation. Trading companies contact the External Economic Committee.

When foreign correspondents need help on documents, they contact relevant government agencies in writing. For example, the ITAR-TASS correspondent contacts the KOREA CENTRAL NEWS AGENCY, and the PRC RENMIN RIBAO correspondent must contact NODONG SINMUN. Their letters requesting cooperation are reviewed by the Foreign Ministry's Information Department.

In the past three years foreigners have been banned from subscribing to KULLOJA, a magazine published by the Workers Party of Korea Central Committee, PYONGYANG SINMUN, and NODONG CHONGNYON. The North Korean authorities did not give a reason. I felt that the standards of the North Korean media have deteriorated. People no longer feel it questionable when an incident is reported a week later. I assume that this is because the North Korean media is so bureaucratic and reports need to be reviewed by many cadres.

Conversations between foreigners and North Korean officials always follow the same pattern. The North Koreans always groundlessly boast in the same way about the eternity of North Korean socialism and their high level of development. When foreigners raise one or two facts, they abruptly stop the conversation. The serious bureaucratism makes simple things complicated.

For example, the Russian Embassy caught fire one Sunday in 1995. The North Korean Public Security Ministry, which is in charge of embassy security, did nothing. The General Bureau of Diplomatic Corps Affairs did not do anything, either. The Russian Embassy had to put out the fire on its own.

It is very difficult to contact North Korean residents due to many restraints. It is, in fact, impossible. If one must contact a resident, it should be done secretly at night as in a detective story. If a North Korean talks with foreigners in the street, he should be prepared to be immediately arrested and punished.

However, North Koreans occasionally try to contact foreigners and make unexpected offers. One night in 1994 I had a chance to drive a Kim Il-song University student home. He knew that riding in a foreigner's car is prohibited.

He gave me inconsistent directions, and later told me he had something to discuss with me. The next time we met, he said that he wanted to sell a $6,000 gold Buddha to Japan and asked me to help him.

I refused his offer, but he insisted that we had to meet again and borrowed $5 from me. On 15 April the same year, I saw him at a ball held at Kim Il-song Square. He also saw me, but said nothing. I decided to forget about my $5 and we never met again.

Foreigners are comparatively secure in Pyongyang. They can walk on the streets not worrying about robbery or assault. However, there are occasional theft cases.

An employee of the Cambodian Embassy told me that he had 200 won (about $100) pick-pocketed from him in a trolley bus.

Others have had their car mirrors or wheel caps stolen. An officer snatched a purse from a Russian woman and ran back to his unit. Sometimes, wallets slip away from cut-open purses. However, such cases are very rare and we cannot say that they are a part of life in the "capital of the Korean revolution."

(Editorial note) Profile of reporter Aleksandr Valiyev:

Born in 1965;
1985-1986, studied at Kim Il-song University;
1988, graduated from the Korean Language Department of the Asia-African College of Moscow University;
1988, worked at ITAR-TASS;
1991-1992, worked as ITAR-TASS correspondent in North Korea (first posting)
February 1994 - October 1995, worked as ITAR-TASS correspondent in North Korea (second posting).

Second Installment

SK0801113396 Seoul KYONGHYANG SINMUN in Korean 7 Jan 96 p 6

[Second installment of the "Pyongyang Report" written by Aleksandr Valiyev, name as transliterated, who worked as an ITAR-TASS correspondent in Pyongyang for one year and eight months; report translated from Russian into Korean and summarized by reporter Kim Chol-ung in Moscow]

[FBIS Translated Text] There is an important problem that foreigners living in Pyongyang have to endure every day — tediousness. There are no entertainment facilities in Pyongyang. In the evening, the streets are dark and empty. It is the same on Sundays. The only time it is different is on holidays when half the adults take part in mass events.

Foreigners try to kill time at the only diplomatic corps center in Pyongyang. Food is comparatively cheap at this center, which is used exclusively by foreigners. For example, a mixed dish of vegetables and beef is about two dollars. There is a dance hall; a karaoke bar equipped with North Korean, U.S., French, and Spanish songs; a billiard room; and a video game room. Foreigners exchange news and various rumors, and I had the opportunity to obtain several news reports.

There is a large disco on the first floor. Guests bring cassette tapes on which they have recorded songs they like. The Disco becomes empty when songs and music of North Korea's "Pochonbo" and the "Wangjesan" light music orchestra are played, because the guests do not like to listen to such North Korean songs, which they hear every day on television and radio.

Even so, there is no music at restaurants for North Koreans. They go to restaurants only to eat. They pay money and meal coupons for food. Foreigners pay "blue money," which is money exchanged with foreign currency.

"Red money," which has been used since North Korea began actively trading with socialist countries, can be used at the diplomatic corps center. The exchange rate for blue money is about 2.2 won per dollar.

This is an official bank exchange rate appropriated in accordance with the exchange rate of Japan's yen to the dollar. Money can be changed at this exchange rate at a hotel's money exchange office or foreign exchange store. Red money was previously used for socialist countries. This money is still being circulated, but mainly Chinese university students exchange money at a rate of three won per dollar.

With the increase in the price of the blue money in 1995, the value of the red money also rose at the rate of 2.8 won to the dollar.

In order to save money, foreigners use red money at the diplomatic corps center, the only store for diplomats.

Money used by the general public is called the "people's money." Officially, the people's money is exchanged at an equal rate. However, in reality foreigners can receive 100 won per dollar on the black market.

Considering the average monthly wage of a North Korean is 100-120 won, when calculating the general public's monthly wage based on its black market value, the total is approximately one dollar.

There is nothing to be excited about for foreigners visiting North Korean stores. Generally, North Korean merchants sell goods imported from Japan, the PRC, and Southeast Asia, receiving only the blue money. Generally, the price of these products are about 1.5-2 times more expensive than the actual price. Moreover, some food greatly exceeds the expiration date.

A can of beer that a foreigner bought in 1994 was produced in 1979. When he became angry, the saleswoman could not understand why. She calmly asked: "The beer is in the can. What more is necessary?"

The kinds of goods at this store have not changed over the past several years, with the situation becoming increasingly aggravated over the past five years. There is information that the situation will become worse in 1996 due to bad crops and floods.

Up until the spring of 1995, foreigners could buy food at the general market on the first, 11th, and 21st day of the month. An egg was five won, and a young pig was about 800 won. This was comparatively cheaper than at the store selling products and only accepting foreign currency.

However, on March 1995 the North Korean Foreign Ministry stipulated that use of the people's money by foreigners is illegal. From this time on, whenever foreigners went to the market, a "guiding person" appeared suddenly and with a stern look ordered us to leave.

After this measure was taken, I tried with my friends to buy some vegetables from an old woman not far from the market. At first we thought of paying for the goods with the people's money, but ultimately we paid for the goods with the blue money.

Nevertheless, people gathered at our sides and one woman said harshly to the old woman: "Go home." I asked her who she was. She pretended not to see me and continued to force the old woman to go home. Soon a man appeared and dragged the old woman somewhere.

Other than the diplomatic corps center, there are several other places that foreigners find attractive. One of them is the bar at the Koryo Hotel. It is normal to operate the bar while there are guests, and sometimes delightful things occur there. For example, sometimes the employees go off somewhere to sleep, leaving the guests at the bar.

Another place of attraction is the Changgwang Hotel. On Saturdays all foreigners in Pyongyang gather at that hotel. We can drink and dance there. The hotel also plays Western music. Of course, the general public are strictly controlled from entering this place. But members of the general public do not have money to visit such a place anyway.

In the summertime, we can go on picnics with friends to parks in Pyongyang and the suburbs. There are truly beautiful places there. Since there are not many people at these places they have not been damaged.

It only takes one hour by car to go to the Nampo seashore. By riding toward the east, one can reach beautiful seashores near Wonsan and Sijung Lake. In the wintertime we can enjoy hunting birds such as pheasants at specially designated regions. However, accommodations provided for foreigners by the North Korean authorities at such resort places are comparatively inferior.

There are no cafes and restaurants, and even if there were, they would have all been closed long ago. There is a building in the hunting region in which to drink and warm oneself, but it is very difficult to buy food because of food shortages. Therefore, Russians bring along with them food which they have prepared in advance.

Young North Korean girls frequently visit these places and practice prostitution for five-10 won of blue money. This may sound strange because prostitution is strictly prohibited in North Korea. I heard of this from Arab students studying in North Korea who bragged about their "adventures" with North Korean women.

There were cases at the Koryo Hotel in which unfamiliar North Koreans appeared and asked foreigners: "Wouldn't you like to have a good time with young North Korean girls?" However, I have not met anyone who said he had done so.

Foreigners living in North Korea suffer difficulties because of many different standards of living in North Korea. In the case of the region where I used to live, there was a problem in the waterworks and sometimes there was no electricity.

At the Russian Embassy situated in the center of Pyongyang there was no water for almost one week in the summer of 1995. In the winter of 1994, at all embassies and apartments for diplomats the heating system did not work well. The room temperature did not exceed 14-15 degrees above zero.

Russians Deny DPRK Citizens 'Fleeing' to PRC

SK0601044196 Seoul HANGYORE SINMUN in Korean 6 Jan 96 p 2

[Tokyo-Moscow, compiled from foreign news agencies]

[FBIS Translated Text] In a news conference on 4 January, a spokesman for the Russian Border Garrison stated that "he has no information on rumors that many North Korean residents are fleeing into the PRC," refuting rumors that Russia reinforced its border guard against North Korean residents.

Food Shortage in DPRK Viewed From PRC City

SK0601143896 Seoul TONG-A ILBO in Korean 5 Jan 96 p 3

[Report by Hwang Ho-taek from Jian, PRC]

[FBIS Summary] "Last year, people in Jian observed over the Amnok River that people in Chagang Province in North Korea were busy cultivating new land. In spring, Chagang residents burned the mountains to plant corn. Jian people saw smoke around Manpo almost every day."

The land was cultivated by work units in Manpo. Crops produced from these work unit farms are not collected by the state but distributed to the workers.

An ethnic Korean living in Jian said: "This is the first time I have seen North Koreans cultivating new land on such a large scale. This must be due to a policy change from the central government in Pyongyang, not a local change in Chagang Province."

Ethnic Koreans residing in the PRC believe that North Korea's food shortages are primarily caused by "the shortage of chemicals." A new kind of rice insect called a "water elephant" has been prevalent in North Korea since 1994. North Korea began purchasing insecticide from the PRC in 1995.

The second reason for the food shortages is "the lack of fertilizer. Chemical fertilizers are rarely seen in North Korea. Compost from burned grass is all they have in North Korea."

Another ethnic Korean who frequently visits North Korea sees "the land system and theft of crops" as the main problems behind the food shortages. He said: "North Korea's agricultural policy does not promote but rather reduces production. No one wants to weed a batch of grass in cooperative farms whose yields are all collected by the state."

He added that North Korean farmers deliberately leave many rice ears in the fields during the harvest and return at night to glean. He said: "Even though North Korea propagandizes about the chuche-based scientific farming method, the per-unit yield is less than half that in the PRC."

"North Korea is believed to have changed its policy, realizing that private land produces greater yields than cooperative farms, and has allowed private cultivation." However, the newly cultivated land on mountains was washed away by the floods last summer.

According to Koreans in Jian, potatoes as large as a fist are rare in North Korea because when they are as big as chestnuts, the potatoes are either stolen or dug out by the farmers who fear the crops might be stolen.

Corn begins to be stolen when it is as big as a finger. Such prevalent theft is discouraging the farmers.

The price of chickens has sometimes soared as high as 260 won, which is equivalent to five-months' salary for an average worker.

In the PRC, pigs grow to weigh 150 kg in six months, but the starving pigs in North Korea grow to 70 to 80 kg in two years. Pork is sold at 50 won per kilogram, so farmers breed pigs under the floors of their houses and lock them up.

An ethnic Korean living in Jian said: "Rumors are that soon people may begin to eat people," and added: "North Korea cannot solve its food shortages on its own. The ROK is sending aid to African refugees. It should not turn its back on starving compatriots."

Government Prepares Guidelines for Aid to DPRK

SK0601075996 Seoul HANGUK ILBO in Korean 6 Jan 96 p 2

[FBIS Translated Text] It was learned on 5 January that the government has prepared guidelines for supplying food to North Korea, allowing the civilian sectors to provide processed food.

Along with this, the government plans to send an agent of the Red Cross to North Korea, as well as promote communications between separated DPRK and ROK family members through Red Cross channels, thus diversifying channels to provide aid to North Korea.

Plans prepared by the government specify that it will allow the civilian sectors to provide North Korea with such food aid as processed food — including Ramyon and dairy goods — since the government regards such food as humanitarian relief. On the other hand, it will not allow the civilian sector to provide North Korea with food aid that includes such grains as rice, wheat, barley, and corn because North Korea can stockpile such food for military purposes. Also, the government will send an agent of the Red Cross to North Korea as a member of the Survey Team of the International Red Cross, as well as to directly provide aid to the separated family members, only if the supply work by the civilian sectors is expanded through the Red Cross.

In case North Korea accepts this, the government will also allow South Korean religious groups and social organizations to provide aid to the North Korean Religious Council, thus diversifying aid channels. However, the government will impose legal sanctions on the religious groups if they send money to the overseas Korean associations and indirectly provide food aid to North Korea through it, applying relevant laws such as the foreign currency management law and the North-South exchange and cooperation law.

A relevant government official stated that "approximately 1.5 billion won, including the amount donated to the ROK Red Cross, is estimated to have been donated and collected by the civilian sector, including religious groups, for aid to North Korea." He added: "If we can earnestly carry out the work to provide aid to North Korea through the Red Cross, we will use it as a fund to expand North-South exchanges."

Foreign Minister: North Food Crisis Not Serious

SK0601084196 Seoul YONHAP in English 0740 GMT 6 Jan 96

["N.K.'s Food Crisis Is Not Serious Enough To Scare Its Regime: Kong" — YONHAP headline]

[FBIS Transcribed Text] Seoul, Jan. 6 (YONHAP) — On North Korea's severe food crisis, South Korean Foreign Minister Kong No-myong said that it is true that the North is facing a difficult situation at present, but not to the extent that the situation intimidates its regime until Chungunggi, the spring food-short season in the socialist country, at least. [sentence as received]

The minister made the remarks in an exclusive interview with YONHAP News Agency Saturday, and noted that the Stalinist country has not still released military provisions and fuel which it has saved for emergency, up to now.

"Outcomes of surveys on the North's actual conditions conducted by international organizations such as the World Food Program (WFP) might have not considered the country's reserved rice," Kong said.

The minister went on to say that Pyongyang has made no official request to Washington to provide rice aid to it thus far, and particularly there have been no secret contacts between North Korea and the United States in order to discuss the issue.

Grasping the actual situation of North Korea should precede international community's rice assistance, and steps to prevent the relief food from being diverted to military purposes be taken first, the minister stated.

He emphasized that it is impossible for the South Korean Government to help North Korea as long as there is no change in the North's attitude toward the South, and it is the government's basic stance.

DPRK Resumes Sending Ships to Japan for Rice

SK0801091496 Seoul YONHAP in English 0854 GMT 8 Jan 96

[FBIS Transcribed Text] Seoul, Jan. 8 (YONHAP) — North Korea has recently resumed sending its ships to Japan to transport to its ports rice which Japan promised to provide last year to alleviate the North's food shortage, a Foreign Ministry official said Monday.

North Korea has suspended transportation of the rice for about three weeks since mid-December last year, apparently for lack of storage and transportation facilities, he said.

He estimated the total shipment from Japan to North Korea at about 100,000 tons since last October when Pyongyang and Tokyo agreed on additional 200,000 tons of rice aid to the North.

Japan already provided 300,000 tons of rice to the North last June in the first batch of rice aid to the North.

Impact of Hashimoto's Rise on Ties With Japan

SK1201014696 Seoul THE KOREA HERALD in English 12 Jan 96 p 2

[By staff reporter Kim Kyong-ho]

[FBIS Transcribed Text] Ryutaro Hashimoto's rise to the Japanese premiership signals a diplomatic challenge for South Korea, analysts say. South Korea is certain to hear the same conservative voice from the ruling and opposition camps in Japan as their leaders have the same nationalistic bent.

Hashimoto's rivalry with Ichiro Ozawa, leader of the main opposition New Frontier Party, may act to strengthen Japan's conservative trend. This will present South Korean officials with a different diplomatic environment, where they cannot expect conflicting views to come from Japan's ruling and opposition forces, unlike in the past.

"The launch of Hashimoto's government has significant meaning for us," said Sin Hui-suk, director general for Asia and Pacific affairs at the Institute of Foreign Affairs and National Security (IFANS), a think tank affiliated with the Foreign Ministry.

"It's imaginable that there will be no effective force in Japan to put a brake on its nationalistic trend," he said.

Officials at the Foreign Ministry, however, say they see no major change coming in Japan's policy on the Korean Peninsula under Hashimoto's leadership.

They indicate the Liberal Democratic Party (LDP) headed by Hashimoto has already wielded dominating clout in major foreign policies as the largest partner in Japan's ruling coalition.

Seoul officials do not expect that Hashimoto's nationalistic sentiment will actually lead to sparking another round of disputes over the history between Korea and Japan.

Like many other Japanese conservative politicians, Hashimoto has a record of defending Japan's role in World War II. He told the parliament in 1994 that it was not a war against its Asian neighbors because it was involved in a fight against the United States and Britain. But Hashimoto showed adroitness in calming down an ensuing controversy by making a quick apology.

Since he was elected LDP president last September, Hashimoto has also sought to water down his image as a nationalistic figure looking for Japan's independent role on the global stage.

He stepped down last October as chairman of the Japan War Bereaved Families Association, a large nationalistic organization with over 1 million members. He stressed his support for the U.S.-Japan military alliance in an interview with a U.S. news agency. He also told a South Korean daily he will push to improve relations with North Korea after winning Seoul's endorsement.

South Korea's Foreign Minister Kong No-myong once said Hashimoto will behave more cautiously than other Japanese politicians as he is well aware of his combative image abroad.

Many observers here, however, indicate Seoul may not avoid diplomatic disputes with the new Japanese government to be led by Hashimoto.

Hashimoto's government may accelerate the pace of normalization talks with Pyongyang in an effort to gain an upper hand over Ozawa's party in the next parliamentary elections, they say.

Some LDP leaders have been more active than their Socialist coalition partners in negotiating with North Korea since the party assumed the leading role early last year. The two countries may be engaged again this year in a row over Tokdo, a rock island in the sea between them, over which South Korea has exercised sovereignty.

South Korea and Japan have been both preparing to proclaim a 200-mile exclusive economic zone off their coast as early as this month.

Many observers also say if a dispute over Japan's wartime role should be rekindled, Seoul would hardly expect Hashimoto to take a satisfying approach to it. They point out Hashimoto played a key role in watering down a parliamentary resolution on apologizing for Japan's wartime acts last year.

In a diplomatic clash on such sensitive issues, South Korean diplomats will certainly find their Japanese counterparts backed up not only by the ruling coalition but by the conservative opposition camp headed by Ozawa.

"Friendly ties are easily set up between South Korea and Japan in a normal situation," Sin at the IFANS said.

"But when a thorny issue involving past history or the island sovereignty flares up, it will more easily lead to a nationalist confrontation between the two peoples in the future," he said.

Sin said South Korea should now be bracing for the start of a more challenging period of time in its relation with Japan.

Portillo: UK To Transfer Defense Technology

SK0601041896 Seoul THE KOREA HERALD in English 6 Jan 96 p 3

[FBIS Transcribed Text] Visiting British Defense Secretary Michael Portillo yesterday vowed to provide logistics supply and transfer of defense technology to South Korea.

"We understand defense sales should be accompanied by transfer of technology, local supply, full logistical and spares support, and training," he said in a news conference.

South Korea has bought $700 million in arms including antisubmarine helicopters and Hawk training jets from Britain in the past nine years, the British minister said.

According to the Korean Defense Ministry, South Korea plans to purchase $30 billion worth of sophisticated weapons over five years, starting in 1977.

Referring to his talks with Defense Minister Yi Yang-ho earlier in the day, Portillo said that "Britain and South Korea agreed to ensure peace on the Korean Peninsula against Communist North Korea."

Britain fought for South Korea as part of the U.N. forces during the Korean War (1950-53) against North Korea.

Regarding South Korea's arms purchases, Portillo told reporters that he discussed with Yi the needs for technology transfer and training of personnel.

The British minister, who is winding up a three-day trip to Korea today, said that the defense talks were an important opportunity for defense cooperation.

Portillo's visit was the first to Seoul by a British defense minister since 1986.

Saying that bilateral relations between the two countries has been excellent, he said, "It is desirable for the two countries to develop a friendly relationship as a long-term prospect. And these defense talks serve as an opportunity to cement further this friendly relationship."

The British minister noted that the London visit by President Kim Yong-sam in March 1995 created a new era in British-Korean relations.

Portillo also met with Prime Minister Yi Su-song and Foreign Minister Kong No-myong yesterday and laid a wreath at the National Cemetery in southern Seoul to pay his respect to those who fell for freedom in the Korean War.

He will visit today the truce village of Panmunjom before departing for Japan.

British Engine for Self-Propelled Guns Rejected

SK0601015696 Seoul THE KOREA TIMES in English 6 Jan 96 p 3

[FBIS Transcribed Text] South Korea rejected yesterday a British bid to sell it engines for the self-propelled gun units it is developing.

In the meeting of the defense ministers of the two countries in Seoul, visiting British Defense Secretary Michael Portillo pushed the sale of the Perkins engines but received a polite refusal from the Korean side.

A senior Defense Ministry official said that the British proposal was impossible to accept since a U.S. engine has already been chosen and tests are being conducted jointly by scientists from Korea and the United States.

Kim Yong-sam Gives New Year Policy Speech

SK0901124196 Seoul KBS-1 Television Network in Korean 0100 GMT 9 Jan 96

["New Year policy speech" by President Kim Yong-sam at the Chongwadae presidential offices in Seoul on 9 January — live]

[FBIS Translated Text] Dear fellow countrymen, greeting the new year, I wish you a happy new year. I wish you great joy and a wonderful life this year.

Today, I am going to tell you about my ideas on this year's state policy and, at the same time, call for your understanding and participation in implementing the state policy.

Fellow countrymen, the world around us is now in the wave of new changes and challenges called globalization. This is a new wave of history that can be compared to the Industrial Revolution, which provided a new framework in the history of mankind.

Today, with the 21st century near at hand, many countries in the world are countering these challenges by mobilizing their wisdom and resources. We should break through this huge wave of changes and build our country into an advanced nation that stands dignified in the center of the world by the early 21st century. This is precisely our historic mission.

We should make the 21st century our nation's century. For our nation to stand at the center of the world in the current era of unlimited competition, it is imperative to rectify today's backward systems, concepts, and practices.

The civilian government's movement for change, reform, globalization, and setting history straight is precisely a process of renovation on our own with a view to actively responding to the changes in the new history of civilization.

Fellow countrymen, two former presidents—who should win the people's love and respect—were arrested recently, which is the first ever incident in our history of constitutional government. All of us feel indignant and disappointed at the two former presidents' exorbitant evasion of the law and their irregularities, which were uncovered in the process of the prosecution's investigations.

First of all, in my capacity as the president, who is responsible for the state affairs, I deeply console those who went through hardships and sufferings in connection with the 12 December and 18 May incidents. At the same time, I also deeply console the fellow countrymen, who have silently worked hard for the country's prosperity, for their mental injury.

The arrest and trial of the former presidents are very unfortunate and shameful things for the state. However, without such a process, we cannot set our history straight. By going through such a process, we will eliminate forever the unfortunate and backward legacy called the military coup de'tat and thus restore the genuine honor of our military and our people's dignity and honor.

Setting history straight is precisely an effort to better the future by rectifying past wrongs. It is also an effort to properly build the country. This is the effort I have consistently pushed since becoming president.

The decision to remove the old Korean Government-General building, which is a remnant of the Japanese imperialism, is also aimed at establishing the nation's spirit by setting our history straight.

I express my deep gratitude to my fellow countrymen for truly understanding the objective behind rectifying history and for their full support and encouragement. We must undergo temporary pains to truly eradicate injustice and immorality so that we can pass on a bright future to the next generation. We will build a community in which justice and truth live and breathe in all political, economic, social sectors, so that they are filled with trust and cooperation. With faith that rectifying history is the second foundation of the country, I intend to accomplish the task of the times with my fellow countrymen. This is our people's revolution of honor as well.

Fellow countrymen, during the last presidential election, I promised you I would cure the Korean malady. The most serious kind of Korean malady is for presidents to receive money. The upper waters must be clear for the lower waters to be clear. During my days in the opposition party and prior to becoming president, I, too, received help from supporters for my political activities. However, I never received money that was dirty or had concessions or conditions attached. Many suffered hardships because they did small favors for me. With their help, I waged the struggle to achieve democratization for the fatherland, managed the party, and helped comrades in hardship.

No politicians, myself included, were free from these wrong habits. However, I never received or spent a penny for my personal wealth. I never possessed one pyong of land, other than my house in Sangdo-tong, and this will remain true in the future. This has been a personal principle I have set for myself and strictly abided by when I had to engage in politics amid the malpractices involving political funds and the election culture. Throughout my long political career, I have always thought that our politics should not continue in the same way, and that politics must be free of money.

As soon as I took office, I made public my assets and announced that I would not receive political funds. I declared the real-name financial system to block the entangling of political and business circles. Had it not been for the real-name financial system, we could not have disclosed the irregularities and corruption of former presidents. I also pursued legislation for political reform to establish clean politics. The eradication of irregularities and corruption, the reform of the military and intelligence agency, the registration of public officials' assets, and the real-name real estate system were introduced to make our society clean and competitive. It is indisputable that the strength that made it all possible was the democratic strength of our great people.

Fellow countrymen, believing that without changes and reform, we cannot expect a bright future for the country, in the past three years we have changed the framework of the country.

Amid the ardent desire to build a new and sound country, the self-sacrificing spirit and continued support which you, the people, have shown has made it possible to bring about such a change.

Last year we suffered various difficulties, but were able to carry out much work. Through resolute globalization of the state of affairs in all fields, we have a basis for becoming a reunified country centering around the world. We are also establishing the economic basis to become a country centering around the world.

On the basis of economic justice provided through the real-name financial transaction system and the real-name real estate system, we opened the era of $10,000 per capita income and $100 billion in exports.

Educational reform to foster talented men to lead the era of globalization and reform in the judiciary was promoted. Through complete implementation of the local autonomous system which all the people earnestly desire, a full-scale local self-governing era in which participation and autonomy are respected was opened.

Also, the special and general pardons carried out on the 50th anniversary of liberation opened the road for all the people to participate in such a historic task.

Overseas, 1995 was a year that satisfactorily enhanced the ideal and pride of our country and nation. We became a member of the UN Security Council, played a leading role at the Asia-Pacific Economic Cooperation Conference, and actively unfolded summit diplomacy. Along with this, from the level of fraternal love, we provided rice to North Korea and settled the light-water reactor agreement. Thus, a basis was provided for South-North relations to move toward a new stage. If there were no unity or efforts by the people, such results would have been impossible.

Fellow countrymen, the 21st century is just five years away. The coming five years is a very important era that will influence our ideals and fate in the 2000's. The task of the era we face is to advance and make the country's system and practices into the best ones, so that the country's competitiveness is enhanced. Internationally we must be an attractive country that receives respect.

On the other hand, we must enhance the people's living standards in an epoch-making way so that the people's degree of satisfaction can build an advanced country. Now, from the level of living well materially, our people must enhance living standards so they can live a life worthy of man.

To implement such tasks of the era, I set the following six matters as this year's utmost tasks to be fulfilled in the operation of the state of affairs.

First, ease the tension on the Korean peninsula and improve South-North relations so that there is a basis for achieving the fatherland's reunification ahead of schedule. Currently, North Korea is suffering from a serious food shortage and economic crisis, and thus is appealing to the international community for aid. The economic crisis North Korea is suffering is not temporary, but structural. The fundamental cause of the economic crisis is the North's excessive military spending used to maintain its military might of over one million army troops — the fifth largest standing army in the world — maintained from a population of 20 million people, as well as inefficiency in the communist economic system.

It is national treachery and a crime for North Korea to want aid from the international community while devoting all its national strength to maintaining military capabilities that threaten compatriots. I strongly urge North Korea to face the international trend of reconciliation and cooperation, and fundamentally change its attitude toward the South.

If North Korea wants to solve its economic difficulties from a reciprocal standpoint, while alleviating tensions between the North and the South, we will actively cooperate in alleviating North Korea's difficult situation. The North and South should end the era of confrontation and discord and open an era of reconciliation and cooperation.

We should guard against fancy theories on reunification. We should bear in mind that an indiscreet reunification theory that might create unrest among the people and invite a miscalculation from North Korea is not conducive to improving North-South relations, not to mention reunification.

Second, we will strengthen our economy and provide a firm basis for an advanced economy. This year, economic conditions will be more difficult than last year. The government will support investment in equipment and technology development to ensure that our economy maintain continuous and stable growth. To this end, more emphasis will be placed on price stabilization.

This year prices will be stabilized within 4.5 percent. After next year, we will exert every effort to establish a low-price structure, as in advanced countries. Along with this, we will actively support small- and medium-sized companies that are in a difficult situation and help them adjust their structure, thereby easing the bipolar nature of the economy. The Office of Small and Medium Businesses will soon be established to solve the problems of small and medium-sized companies in a comprehensive and systematic manner.

During the past three years, we painstakingly developed agricultural reform policies that brought new hopes for and confidence in the future of our agriculture and fishery. This year we will pursue more consistent field-oriented agricultural reform policies so that more results in agricultural reform will be seen on-the-spot in farms and fishing villages. We will also further improve the quality of agricultural products and seafood for our people so they can enjoy a healthy life befitting a $10,000-per-capita income era.

Third, we will continue to reform major systems that form the basis of the country. The most urgent task is to institutionally guarantee clean politics and money-free elections. We will continue with systems reform to eradicate old-style politics, such as ties between political and business circles, irregularities and corruption, and regional division, and to establish a new political culture that leads to an advanced ROK in the 21st century.

I will do everything possible in my capacity as president to ensure that the 15th General Assembly election scheduled for April is the most clean and fair election in the history of the Constitution. To this end, I am willing to have a sincere face-to-face meeting with ruling and opposition party leaders.

I want our fellow countrymen to demonstrate their great democratic efforts once again in making the upcoming election a clean election free of money.

I will more actively alleviate restrictions in the economic and social fields, too. Thus, I will create circumstances in which people can carry out their economic activities freely and conveniently. Along with this, I will also continue to effect tax administration reform in order to embody justice in tax administration.

Fourth, I will push ahead with reforming living standards to promote the quality of people's individual lives. In managing state affairs, I will emphasize helping all the people lead their lives peacefully and conveniently.

I will build a safe country in which people's lives and property can be protected from disasters and crime. I will also build a stable country in which the people can escape traffic congestion, environmental pollution, and price instability, and a cultural country in which the people can feel the value of living.

In particular, I will firmly promote the establishment of a safety culture as one of my major policies so people can be free from anxiety stemming from various accidents. I will strengthen security for public peace and order and thus protect the people from crime and violence.

Along with this, I will unfold the blueprints of the middle- and long-term welfare plan for the people in order to make our country an advanced welfare country in the era of globalization. I will provide measures to promote the welfare of the vulnerable class of society, including aged persons, physically handicapped people, and the poverty stricken.

I will promote educational reform to alleviate students' hardships in college entrance examinations and reduce parents' burdens from their children's education outside schools and will cause this reform to take deep root in all schools.

What greatly influences the quality of our people's livelihood is the development of culture and national land. I will promote the development of national land so that development and environmental conservation can be carried out in a harmonious manner. I will also further expand cultural and sports facilities so that the people can enjoy cultural life to their hearts' content.

Fifth, I will expand social overhead facilities to build our country into a leading state in the 21st century. To become a leading state, it is important to become a country with high-grade information and communication facilities and expand distribution networks for goods.

In the information era, where the importance of knowledge and information is increasing, it is important to become an information-oriented country. To this end, I will unfailingly promote the project of constructing ultrafast information facilities and accelerate the introduction of an information and communications network system in public offices.

To cope with the international material circulation nets, which are expected to sharply increase in the future, I will further expand material-circulating facilities and systematize them.

Finally, I will positively participate in creating a world order of trust and cooperation.

Based on the foundation of our increased prestige in the international community, I will not only contribute to international peace and stability, but also maintain close relations with our major allies such as the United States and Japan and expand relationships of practical cooperation with the Third World.

We are promoting membership in the Organization for Economic Cooperation and Development within the year as planned, and will work to revise the domestic system in conformity with this without any setbacks.

We will actively participate in the new international trade order formed under the World Trade Organization, now in its second year, so we can positively take measures in the changing world economic environment.

Fellow countrymen, I know that recently some political circles discussed a constitutional revision calling for a cabinet system and a four-year presidential reappointment system. Today, I will once again clearly reveal my position regarding this matter. As I have emphasized several times before, I believe it is desirable for our country, which is under a strained South-North confrontational situation, to carry out a presidential system that can manifest strong leadership.

The second Republic's responsible cabinet system borne amid absolute support from the people could not overcome repeated political confusion and finally collapsed due to the 16 May military coup d'etat. We must never forget this bitter historic lesson.

When reflecting the reality of our country's party politics, if the cabinet system is implemented, corruption will be reborn due to the cohesion of politics and the economy, and it is clear that a deterioration of democracy will be brought about through factional politics.

It is stipulated in the Constitution that the presidential term of office is a single-term of five years. This is to prevent prolonged one-man rule, dictatorship, corruption, and irregularities, which are a deep-seated disease in the history of our Constitution.

I believe we must maintain the current Constitution, because it was made with the people's agreement. What I have felt concerning my term of office has been that if the president serves the country and people with all his strength, a five-year term will by no means be too short. I believe that most people do not want to waste national strength discussing constitutional revision at an important time when we must pioneer the future through united strength. By upholding such a desire of the people, I have repeatedly revealed that I oppose any kind of constitutional revision during my term of office.

Fellow countrymen, the tasks I have mentioned can by no means be achieved easily. However, if we unite and gather wisdom, I believe there is nothing we cannot achieve. Up until now we have concentrated all our strength on exposing all kinds of irregularities and on normalizing systems and practices. We must now consolidate substantial reform so our country can pave the way to becoming a top-ranking country in the 21st century.

Our living standard in the 21st century will change and the country's appearance will be greatly changed according to whether we achieve this. To successfully achieve this task, I will stand in the forefront. During the past year, amid various difficulties, we achieved great developments that are the envy of the world. Let us all prepare for the 21st century, without any setbacks, based on our dreams for the future, based on faith, and based on pride in the nation this year as well.

Along with the loving fellow countrymen, I will work by sacrificing everything for the fatherland's glory. I will make a country where there is justice and truth and where law is alive through setting history straight. By setting history straight, I will set the country straight. Thank you.

Acknowledgement of Funding Noted

SK0901044396 Seoul YONHAP in English 0400 GMT 9 Jan 96

[FBIS Transcribed Text] Seoul, Jan. 9 (YONHAP) — President Kim Yong-sam admitted during his state address to the nation Tuesday that he did receive money from his supporters up until he became head of state but that none of the funds were "dirty or shady."

At the beginning of his speech, he said, "I, too, received help for my political activities from my supporters when I was in the opposition camp and before I became president. I have never, however, received any dirty or shady money. Nor have I received a single won that came with a string attached or that was tied to any business interest."

The chief executive has been under intense pressure from opposition parties to reveal the amount of campaign funds that he received for his successful 1992 presidential bid, as well as contributions, if any, from his predecessor No Tae-u.

This is the first time that president has admitted to receiving funds "before" becoming head of state, having earlier acknowledged that he accepted contributions from his supporters when he was a member of the opposition camp. In this respect, his remarks can be construed as alluding to No's slush fund, part of which Kim may have used for his successful 1992 presidential bid.

Kim, in fact, may have admitted receiving part of No's slush funds when he said, "Because of their help, I was able to wage the struggle for democracy, run political parties and support my colleagues. No politician, including myself, could have avoided such wrong practices as these."

Defending his integrity, however, he said, "I have not, however, received or spent a single won for myself or for the accumulation of personal assets. I have never owned a single pyong (quivalent to 3.3 square meters) of land other than my home in Sangdo-tong."

Though he said he received financial assistance from his supporters, Kim made it clear that unlike his predecessors Chon Tu-hwan and No, he used such funds for political, not personal, interests.

"This was the principle I set for myself and strictly followed during the days when I engaged in politics in spite of the misguided customs involved in the raising of political funds and election practices," Kim added.

"I was active in politics for a long time, and I have always believed that the way politics were conducted in this country was wrong. I firmly believe that politics should be free of the yoke of money. That is why I disclosed my personal assets upon becoming president and pledged that I would not receive a single won in political funds."

Political Parties React to Speech

SK0901075196 Seoul YONHAP in English 0707 GMT 9 Jan 96

[FBIS Transcribed Text] Seoul, Jan. 9 (YONHAP) — Rival political parties, commenting on President Kim Yong-sam's state address to the nation Tuesday, welcomed his proposal for a meeting of major political leaders.

But opposition parties voiced disappointment over the president's failure to disclose the amount of slush funds he allegedly received from his predecessor No Tae-u for Kim's 1992 presidential election campaign.

Chairman Kim Yun-hwan of the ruling New Korea Party (NKP) welcomed Kim's proposal as "having broken ice for talks to ensure fair and clean elections."

Ruling party Secretary-general Kang Sam-chae anticipated that the proposed talks between ruling and opposition party leaders will be held soon with the forthcoming April general elections around the corner.

The major opposition National Congress for New Politics (NCNP) supported the chief executive's proposal for a get-together between rival party leaders as well as Kim's opposition to a constitutional amendment in favor of a parliamentary cabinet system of government.

Commenting on Kim's remarks about the controversial presidential election funds, however, NCNP spokesman Pak Chi-won said, "Though he, in fact, has admitted receiving contributions for his presidential election campaign, it is regrettable that he has failed to specify how much he received from former President No Tae-u."

Similar reactions were shown by minor opposition Democratic Party (DP), whose Floor Leader Yi Chol commented, "The people expected that President Kim would clarify what should be clarified, such as the presidential election fund issue, and appeal to others to cooperate after making an apology. It is disappointing, however, that he ended up merely in praising himself."

But the DP welcomed as "timely" Kim's remarks about the constitutional amendment issue.

The United Liberal Democrats (ULD), another minor opposition party, expressed its disappointment in the president's failure to present concrete policies.

ULD spokesman Ku Chang-nim charged, "That President Kim said he received no dirty or shady money while mentioning nothing specific about the presidential election fund is designed to bypass the presidential election fund issue."

The ULD, however, welcomed Kim's idea for the political leaders' meeting and hoped that a formal proposal to that effect will be made soon.

Dailies Comment on Policy Speech

SK1001102696

[FBIS Editorial Report] The following is a compilation of editorials carried in the 10 January vernacular papers on ROK President Kim Yong-sam's 9 January New Year policy speech.

CHOSON ILBO on page 3 carries an 800-word editorial titled: "State Affairs Must Concentrate on 'Living Standards.'" The editorial starts off by noting the part of President Kim Yong-sam's speech in which he admitted that he "received help in the past from supporters," but that he did not receive money for personal use. The editorial then notes, however, that President Kim "kept silent about who his supporters were," thus making the people suspicious about this matter. In this regard, the editorial notes that "what we hope is that political leaders will not carry out politics as if it were war." It then elaborates on President Kim's speech on the reunification issue, saying that we wholly agree with President Kim's policy on this matter. The editorial concludes by hoping that politics will contribute to concentrating on the "people's living" so the people can live in a comfortable country.

HANGUK ILBO on page 3 carries an 800-word editorial titled "President Kim Yong-sam's Policy Speech." Noting that it is natural for the top ruler to reveal the tasks to be implemented for the new year, the editorial says that "a concrete policy for putting them into practice, a policy in which the people can have faith, must be presented as soon as possible." The editorial then welcomes Kim's willingness to meet with the representatives of the ruling and opposition parties and welcomes his vow that he will not revise the Constitution. It then praises President Kim for admitting to the fact that he received political funds, but notes that he should have revealed the contents as well. The editorial also says that to achieve all the tasks which President Kim set forth — particularly becoming a country centering around the world of the 21st century, "the people's voluntary and active cooperation is inevitable," and it is necessary to have confidence in the people. The editorial concludes by urging President Kim to hold a news conference as soon as possible to clear all curious and suspicious matters.

SEOUL SINMUN on page 3 carries a 1,000-word editorial titled "The Firm Will and Vision of a First-Class Country — President Kim Yong-sam's Policy Speech." The editorial starts off by assessing President Kim's policy speech as "successful" and says the tasks mentioned in it are all tasks which the people must cooperate on to achieve. The editorial then says the content of the policy speech contains a message which gives hope to the people so they can enjoy life worthy of men. The editorial summarizes President Kim's speech and expresses the hope that tasks mentioned in it can be implemented, especially expressing the hope that the upcoming general elections can be carried out to consolidate the basis for the people's unity to achieve progress.

CHUNGANG ILBO on page 4 carries an 800-word editorial titled "Policy Speech Which Must Follow Detailed Discussions." The editorial starts off by saying that President Kim's policy speech seems to "lack concreteness and a sense of reality," and he did not give any details on various political issues, including the issue of the presidential election fund about which the people are curious. It then says it is regretful that Kim did not hold a news conference and urges that he hold one as soon as possible. The editorial concludes by saying that we will observe how the government and ruling party put into practice the tasks to be implemented.

HANGYORE SINMUN on page 3 carries an 800-word editorial titled "Problems in the Policy Speech." The editorial starts off by criticizing President Kim Yong-sam for not holding a news conference and for giving a policy speech with no concrete content. The editorial then notes, however, that it welcomes his proposal for a meeting of representatives of the ruling and opposition parties, saying it is an opportunity to hold dialogue on various pending issues, including the task of setting history straight. It then expresses dissatisfaction over the fact that President Kim did not reveal the presidential election fund in detail. The editorial concludes by saying that his "policy speech leaves much to be desired," and hopes that he will make the opportunity to give more details on his policies for the new year.

MAEIL KYONGJE SINMUN on page 3 carries an 800-word editorial titled "President Kim's Policy Speech." The editorial notes that President Kim's policy speech shows a "firm determination" to become a country centering around the world in the 21st century. It also says his policy speech is "considerably general and has idealist elements," but most important is how we put such things into practice. The editorial concludes by noting that it is important to make concrete plans and then implement them.

Burma

Shan Mutineers Vow To Struggle Against Rangoon

BK0601142096 Bangkok THAILAND TIMES in English 6 Jan 96 p A1

[Unattributed report]

[FBIS Transcribed Text] Chiang Mai: At least 600 disarmed Shan soldiers of Mong Tai Army (MTA) from Ho Mong have crossed Thai-Burmese border and fled to Thai villages in Mae Hong Son and Chiang Mai provinces following the drug warlord Khun Sa's surrender to Rangoon.

The soldiers, who disagreed with the decision of MTA leader Khun Sa to surrender to Burmese government troops, were regrouping in high hope to continue their struggle against the Burmese military government, an MTA source said yesterday.

The MTA fighters were seen in the border villages of Doi Saeng and Nai Suai in Tambon Pang Mu of Mae Hong Son province, as well as in Mae Ai district of Chiang Mai province.

Many MTA's Shan ethnic soldiers were dissatisfied with the decision of their half-Shan half-Chinese leader, Khun Sa, to allow the SLORC [State Law and Order Restoration Council] take over the MTA's arms and equipments, and announced they would continue to fight for their freedom.

Several MTA high-level officials have reportedly been cooperating with each other to gather 2,000-3,000 Shan soldiers with intention to start guerrilla warfare against the Rangoon troops.

The MTA deputy commander Lt-Gen Kyaw Tun said he led 300-400 Shan soldiers to flee from Ho Mong before Khun Sa let the Burmese troops take over the place.

He said Khun Sa secretly sent MTA's Haw representatives to negotiate with the SLORC without informing Shan soldiers. This action was considered betrayal to Shan nationalists' fighting spirit.

Khun Sa, who reportedly remains in his Ho Mong headquarters, was holding negotiations with the troops of the State Law and Order Restoration Council (SLORC), the source said.

Burmese Intelligence deputy director Col Kyaw Win said about 600 government troops will be sent to participate in the negotiations in line with an earlier agreement reached between Khun Sa and Rangoon last November.

Khun Sa's fate remains a mystery as agreement and conditions to be made at the negotiations have not been revealed.

A number of Thai soldiers of the Naresuan Force's 7th Infantry Division and Mae Sariang-based 36th Rangers Battalion have been positioned along Thai-Burmese border from Muang district of Mae Hong Son down to Tha Song Yang district, Tak province.

Three schools in Mae Ai district — Pang Ma Dua, Pang Ton Khon, and Ban Huai Laem — remain closed for an indefinite period while villagers in the area prepare to evacuate in case fighting erupts.

Rangoon Troops' Arrival at Khun Sa Base Viewed

BK0701091396 (Internet) BurmaNet News in English 6 Jan 96

[Shan Herald Agency News report dated 1 January]

[FBIS Transcribed Text] It was Aesop's famous fable all over again. Two seals catch a fish and dispute with each other about the choice of its best part. The wily fox intervenes, presides over the case, gives the head to one seal and tail part to the other, while he takes the fleshy middle part for himself.

The Muang Tai Army [MTA] and the United Wa State Army [UWSA] (aka [also known as] the Communist Party of Burma until 1989) had battled over the possession of Doi Lang with its fertile Yawn River Valley for more than 13 years. Peace talks were arranged but never quite succeeded in bringing results. Thousands of precious young lives on both sides had been sacrificed for this valley.

Then on the night of December 30, 1,500 Burmese troops moved into the area, presumably with the tacit agreement of the besieged MTA. They not only fought with the Was who were resuming their attacks against the MTA but also got behind the Thai paramilitary bases which were set up along the "new borderline" with Burma's Shan State in 1991. The Burmese military's latest move in effect questions the Thais' claim on the disputed area.

On the MTA's part, with their own dispute with the Was being settled by Burmese intervention, further questions as to their claim to the larger territory — the Shan State itself — have inevitably been raised. People are beginning to ask whether they are still fighting for it.

The Central Executive Committee of the MTA admits that the MTA, weakened by the June mutiny, is now forced to start from square one again. However, Khwan Muang, Secretary-1, says without elaboration, that the MTA shall continue to work in the best interests of the Shan State.

Tin U Welcomes MTA's Return to 'Legal Fold'

BK1201072596 Rangoon TV Myanmar Network in Burmese 1330 GMT 11 Jan 96

[FBIS Translated Excerpt] The fourth meeting of the steering committee for holding the 51st Armed Forces Day was held in the hall of the Ministry of Defense at 0900 this morning.

In his opening address, Lieutenant General Tin U, chairman of the committee and Army chief of staff, explained that the objective of the meeting today is to successfully hold the 51st Armed Forces Day ceremony on 27 March. [passage omitted]

He explained that the Defense Services are currently shouldering state responsibilities and endeavoring to establish a new peaceful, modern, and developed nation. [passage omitted] He said in times of national exigencies, the Defense Services have to shoulder the national political responsibilites entrusted by history while waging struggles to crush internal insurgency and to repulse external aggression. The Defense Services have to take political, economic, social, and administrative responsibilities in addition to military responsibilities.

He said our Defense Services had to take over these responsibilities in 1988 and have been making endeavors for national development, and that a considerable degree of development has been achieved. The Defense Services had accurately set out their objectives and goals and are systematically marching toward their set goal. While they are striving for national development by laying down political, economic, and social objectives, they are striving for the emergence of an enduring state constitution, which is indispensable for a nation. At such a time of national endeavors on all fronts, fabrications and agitations must be removed. In particular, we should have security vigilance. Vigilance regarding security is the responsibility of all, not just those in charge of security. As we all know, a security lapse once brought about undesirable results. We should not be lax just because there is stability and peace. We must remain vigilant about security at all times.

Lt. Gen. Tin U added that resolute action must be taken against any individual or persons undermining national interest, and they must be annihilated. The Defense Services on their part will give their lives to ensure national stability, local peace and tranquility, and the prevalence of law and order. It is necessary for the indigenous people, out of their own awareness and vigilance, to cooperate with the Defense Services in resisting external influence and instigations. He then urged the people to make their utmost efforts to establish a modern nation. [passage omitted]

He said he would like to add one more point to today's discussion, which is known to the subcommittee members present here. Recently, the one sector in which the Defense Services have been most successful is in national consolidation. He explained that 15 indigenous groups have been cooperating with the government to concentrate on the development of their respective regions. Now, since 5 January 1996, armed members of the Muang Tai Army, MTA, led by Khun Sa in Ho Mong and Loi Lang in southern regions of the eastern Shan State have surrendered to our military columns. MTA troops led by Khun Sa came to realize that it is not beneficial to oppose the government and fight the Defense Services and that continued drug trafficking does not benefit the country. After understanding and accepting the aims and objectives of the state, MTA members laid down their arms and returned to the legal fold on 5 and 7 January. A total of 4,431 MTA members surrendered their 3,483 assorted light and heavy weapons to the Defense Services. He said it has been learned that more are expected to accept the correct view. In his Independence Day message on 4 January, Senior General Than Shwe, chairman of the State Law and Order Restoration Council, said indigenous people not only cherish the spirit of independence, but have firmly upheld this spirit to maintain and safeguard independence in the course of history. We have the duty to hand down this spirit to future generations. Aside from this duty, all indigenous people are to work hand in hand to be able to stand tall amongst the community of nations. Lt. Gen. Tin U said the MTA forces have responded to this clear message and our government warmly welcome [mi mi doe naing-ngandaw anay ne hlaik le zwar kyo zo pa kyaung] [the MTA surrender]. In conclusion, he expressed the hope that the remaining organizations in the jungle would give up their erroneous views and outlook and work hand in hand with the government in creating a new life, a new man, and a new spirit in the new year. [passage omitted]

Surrender of Arms by Khun Sa Troops Detailed

BK1201161496 Rangoon TV Myanmar Network in Burmese 1330 GMT 12 Jan 96

[FBIS Translated Text] As armed members of the Muang Tai Army, the MTA, led by Khun Sa have faith in the programs being implemented in accordance with the state government's political, economic, and social objectives, they have also realized and gained a correct view on the Defense Service's good intentions and genuine goodwill for armed groups in the jungle. Since 5 January 1996, they have been continuously surrendering their weapons and returning to the legal fold in the east bank region of the Salween River in the eastern part of Shan State.

In Loi Lang region, 209 MTA members surrendered 290 pieces of small and heavy weapons to the Defense Services and returned to the legal fold on 9 January 1996, while another 24 MTA members surrendered 24 pieces of small and heavy weapons to the Defense Services and returned to the legal fold on 10 January 1996.

Similarly, 180 persons and one weapons factory that produced various types of launchers, mortars, projectiles, antipersonnel mines, and hand grenades were surrendered to the Defense Services in Ho Mong region on 8 January of this year. Moreover, two arm depots with 9,620 rounds of various explosive shells for heavy weapons, 8,000 pieces of various kinds of mines, and 12,000 pieces of various types of hand grenades were surrendered to the Defense Services on 9 January.

A total of 101 members of the SURA, the Shan United Revolutionary Army operating under the direction of MTA stationed in (Lwe Htwe) camp in Mong Htaw and Mong Hta region in the east bank of the Salween River in the eastern part of Shan State, surrendered their camp to the Defense Services columns on 11 January.

Between 5 and 12 January 1996, 5,026 members of the MTA led by Khun Sa; 3,797 pieces of small and heavy weapons, one weapons factory, and two arm depots were surrendered to the Defense Services in the east bank region of the Salween River in the eastern part of Shan State.

It has been learned that more MTA members are to surrender to the Defense Services and return to the legal fold.

Government Moves Troops Against Karenni Forces

BK1601110596 Hong Kong AFP in English 1054 GMT 16 Jan 96

[FBIS Transcribed Text] Bangkok, Jan 16 (AFP) — Burma has been resupplying more than 4,000 troops in the country's eastern Kayah State in preparation for another assault on ethnic Karenni forces from territory formerly held by opium warlord Khun Sa, a Karenni source said Tuesday.

"We expect another attack soon as they are bringing food and equipment by helicopter from Khun Sa's territory," the source said by telephone from the neighboring Thai province of Mae Hong Son.

Khun Sa, opium warlord and leader of an ethnic Shan group, controlled the border areas just to the north in Burma's Shan State until several thousand government soldiers were allowed into the area earlier this month. The drug king, said to be responsible for half of the Golden Triangle's output of heroin, cut a deal which is reported to have turned his ethnic Shan independence movement into a local militia loyal to Rangoon.

The Karenni source said about 1,000 government soldiers had already moved south from territory formerly held by Khun Sa to join the fighting against the Karenni.

The area has been quiet for the last few days after a Burmese offensive failed to take Rambo Hill, near the Thai border, he said. The hill was named in honor of a Karenni fighter who earned the nickname fighting against the government.

The Karenni had been one of 15 armed ethnic groups to have signed ceasefire agreements with Rangoon, but the agreement was repudiated last month after government forces refused to move out of areas designated as Karenni controlled.

The small ethnic group had only about 1,000 armed men, while the ruling State Law and Order Restoration Council (SLORC) had between 4,000 and 5,000 soldiers in Kayah State, Karenni sources estimated.

Burma's ruling SLORC has had a string of successes since the beginning of last year which have put Rangoon in control of most of the Thai-Burma border for the first time since Burma's independence in 1948.

Thai military sources were said to have reported high levels of tension last week as Burmese troops replaced ethnic rebels who have long served as a buffer between the two countries along the poorly defined border.

Aung San Suu Kyi Praises Dance Troupe

BK1301143796 Hong Kong AFP in English 1435 GMT 13 Jan 96

[FBIS Transcribed Text] RANGOON, Jan 13 (AFP) — Burmese democracy leader Aung San Suu Kyi Saturday lauded the eight members of a dance troupe still held for questioning about a performance that satirized the government, and urged the public to back them.

"I sincerely respect Par Par Lay and his group for having the courage to use their great artistic talents for the greatest benefit of the people and the country, and I urge you to honor their bravery and give them your full support," she told a huge crowd outside here lakeside compound.

The eight members of the Myodaw Win Mar dance troupe led by popular comedian Par Par Lay were arrested January 7 after returning to Mandalay, 730 kilometers (450 miles) north of here. Three organizers of Aung San Suu Kyi's National League for Democracy

(NLD) were also held for questioning, NLD sources said.

They said the performers were being questioned about their off-the-cuff remarks about the political situation here made at a private Independence Day celebration three days earlier at Aung San Suu Kyi's compound in Rangoon.

The Myodaw Win Mar dance troupe had been scheduled to perform January 10 on state radio and television but was replaced by other performers, observers here noted.

Brunei, Malaysia & Singapore

Malaysia

Costs, Duties of Bosnian Peacekeepers Disclosed

BK1501094396 Kuala Lumpur THE STAR in English 15 Jan 96

[Report by Anthony Tan — received via Internet]

[FBIS Transcribed Text] Baling — The Government will spend more than [Malaysian ringgit] RM100 million to equip Malaysian troops who are set to join NATO's Implementation Force (IFOR) in Bosnia-Herzegovina.

Defence Minister Datuk Syed Hamid Albar said yesterday the amount was for expenses spread over a year.

He said unlike in the past when the UN paid for the upkeep of Malaysian troops serving under the Protection Force (UNPROFOR), the country would be paying for its own troops under IFOR. The Malaysian troops are expected to join IFOR by January 31.

"We now have 973 soldiers there and the number will be increased to 1,533," Syed Hamid told reporters at Kampung Sungai Limau here after handing over keys to a house built by the army to Siti Zauwiyah Yahya, the widow of Kpl [corporal] Mat Aznan Awang who was killed while on UN duty in Somalia in 1993.

He said nine civilian officers would also be sent to Bosnia to control logistics such as finances, supplies and equipment, adding that they would serve for six months, the same duration as the soldiers.

Syed Hamid said the Malaysian contingent under IFOR would continue serving in areas under French command at Konjic and Jablanica.

He said the duties of the Malaysian soldiers would include clearing mines and keeping the peace. IFOR's 60,000 troops were given the task of implementing the peace accord agreed by Bosnian, Serb and Croat leaders in Dayton, Ohio, last month.

On the RM30,000 house given to Siti Zauwiyah, Syed Hamid said it was designed and built by the army, adding that the state donated the 0.4 hectare piece of land on which the house stands.

Siti Zauwiyah, 29, who has two children, thanked the army and state. She now sustains her family with her husband's pension and gratuity, besides doing some village chores.

Her husband, Kpl Mat Aznan, was killed on October 4, 1993 when the Condor armoured personnel carrier he was driving was hit by a rocket-propelled grenade during a mission to rescue U.S. Rangers under attack by Somali militiamen.

Also present at the key-handing-over ceremony were army chief Jen [General] Datuk Che Mat Noor Mat Arshad, Second Division general-officer-commanding Mejar-Jen [Major General] Datuk Hashim Mohamed Ali and Bayu assemblyman Mohamed Sibi

Mahathir Hosts Banquet for Australia's Keating

BK1601102696 Kuala Lumpur THE STAR in English 16 Jan 96

[Report by Shahanaaz Sher Habib — received via Internet]

[FBIS Transcribed Text] Kuala Lumpur — Malaysia and Australia expressed last night their common desire to forge closer cooperation and work towards removing any misconception that could affect the strengthening ties between them.

Prime Minister Datuk Sri Dr Mahathir Mohamed said the relationship went back a long way and had stood the test of time.

"Sure, hiccups have occurred but these have not affected the substantive aspects of our relations," he said. (Ties between the two countries took a dip in the past especially when Australian Prime Minister Paul Keating called Dr Mahathir a "recalcitrant" for not attending the inaugural meeting of the Asia Pacific Economic Cooperation in Seattle in 1993. Keating later expressed regret for the remark.)

Dr Mahathir said it was a credit to the two countries "that good sense has prevailed each time."

"It is perhaps also a measure of the maturity of our relations," he said at the dinner hosted at Sri Perdana [Guest House] in honour of Keating, who arrived yesterday for a three-day visit.

Dr Mahathir, describing the visit as an important milestone in relations between the two countries, added:

"We need to avoid or at least limit the type of hiccups which off and on bedevil our relations."

"Malaysia is prepared to respond positively to such views. It is timely that such misconceptions be removed and replaced with a more positive attitude in the conduct of our relations."

"The principle of mutual respect should be adhered to by all parties. Malaysia will play its part in developing a climate of cooperation beneficial to both sides. We are sure Australia will do the same," he said.

Keating, in response, said consistent with changes in both countries, there was a need for a fresh, contemporary appreciation of each other.

He said the past could no longer be the primary source of understanding as "there are more (benefits) to be gained in the years ahead."

Keating said Malaysia's economic revolution under the leadership of Dr Mahathir was admired in Australia.

He also said Australia's engagement with Asia "is unprecedented and irreversible and we now seek our security in the region not from the region."

He believed that Australia had "radically increased" its understanding of Asian cultures and values, with increased travel to the region and Asian migrants to the country.

"None of this is to say that we are in the process of becoming more Asian. We cannot be Asian any more than we can be European, American or African.

"What we can be, and what we are determined to become, is a society which is rare in its cultural diversity, richness and tolerance, and a country which is strong and integrated with the region around it," he said.

Canberra Asked Not To Interfere With Sovereignty

BK1601105696 Kuala Lumpur RTM Television Network 3 in Malay 0530 GMT 16 Jan 96

[FBIS Translated Text] Australia has been urged not to interfere in Malaysia's political affairs or to touch on the sensitivities of various races in the country. Prime Minister Datuk Sri Dr. Mahathir Mohamed said that other countries should not interfere with Malaysia's sovereignty and that Australia should respect the stance.

[Begin recording] [Unidentified correspondent] The prime minister said yesterday that relations between Kuala Lumpur and Canberra should be further strengthened on the basis of mutual respect. This morning he was asked whether Australian Prime Minister Paul Keating understood Kuala Lumpur's stance and wishes.

[Mahathir in English, in progress] Well, I think it does, but off and on, we all as politicians, I suppose, latah [behave hysterically]. As Malaysians, sometimes we burst out saying things for which sometimes we regret.

[Correspondent] The prime minister considered the Australian leader's visit important for improving relations between the two countries.

[Mahathir in English, in progress] Well, it is important in the sense that it overcomes minor misunderstanding and a lack of appreciation of each other.

[Correspondent] Earlier, Keating paid a courtesy call on the Prime Minister's Department. Various issues, including efforts to enhance economic cooperation between Kuala Lumpur and Canberra were discussed. Telecommunications was cited a possible area of cooperation.

Datuk Sri Dr. Mahathir said Australia could play a role in Asia's economic development given its experience in that field. This includes the possibility of Australia joining the Mekong Basin development project that was approved by ASEAN at its Bangkok summit last year.

Earlier, the two leaders witnessed the signing of a memorandum of understanding [MOU] on education. The MOU covers a student exchange program and the placing of Malaysian students in Australia's institutes of higher learning. Malaysia was represented by Dr. Johari Mat, secretary general of the Ministry of Education, while Australia was represented by John Dauth, Australian high commissioner to Malaysia. [end recording]

Cambodia

King Discusses U.S. Statement Denying Coup Role

BK1101124496 Phnom Penh REAKSMEI KAMPUCHEA in Cambodian 11 Jan 96 p 12

[Report by Meanop]

[FBIS Translated Text] King Norodom Sihanouk of Cambodia has used strong language in a letter of reply to his Australian biographer Julio A. Jeldres to refute a statement by the United States. Julio sent the king a copy of the statement which said that "the U.S. Government played no role in the coup d'etat against Sihanouk on 18 March 1970." The putsch forced the king to go into exile for several years.

The details of the Julio's note are unknown, but the king's 8 January 1996 letter to his biographer shows that he vigorously objected to the above assertion. He also provided proof which unequivocally confirmed that the 18 March 1970 coup was definitely supported by the U.S. Government.

The king emphatically said: "The United States began large-scale air bombardments to destroy Cambodia's economy and infrastructure, including rubber plantations in Kompong Cham Province and my country's militia positions at Dak Dam" on 18 March 1969. It was exactly a year before the 18 March 1970 coup d'etat, if the two dates are taken into consideration."

His majesty also presented another piece of evidence, saying only a few hours after the coup staged by Lon Nol [former Cambodian president] and Sirimatak [former Cambodian prime minister] on 18 March 1970 "the U.S. Government declared its official recognition of the coup group's government." The king gave a fair and logical analysis saying normally, a government, regardless of its sympathies, would wait at least 48 hours to decide on official recognition of "a government that toppled its chief of state" who was on a mission abroad.

King Norodom Sihanouk also showed other evidence, saying immediately after the so-called "coup d'etat," the United States sent its troops and the Saigon troops of Nguyen Van Thieu [former South Vietnamese president] to invade Cambodia and to help prevent Lon Nol's fragile regime from crumbling.

The king cited an article published in a U.S. newspaper in the 1970's which said that "the United States provided massive aid amounting to $350 million annually to the Lon Nol regime so that the regime could survive artificially. That was on top of another $400 million it spent annually to nurture its war in Cambodia."

Before concluding his letter to Jeldres, King Norodom Sihanouk mentioned that even U.S. newspapers (including an article by T.D. Allman, a vigorous anti-Sihanouk journalist) evaluating the situation between 1980 and 1990 said that Lon Nol's military coup was "a coup d'etat supported by the United States" (Sic).

It is still recalled that the Royal Government led by Prince Krompreah Norodom Ranariddh and Samdech Hun Sen, the National Assembly, and leaders of the ruling political parties declared after the elections in mid-1993 that "the Lon-Nol coup that was supported by the United States is illegal."

The reaction from the U.S. Embassy in Cambodia on this case is not known. However, it is believed that the United States should clearly formally disclose "its mistake in the Cambodia war." At the end of 1995, Second Prime Minister Samdech Hun Sen also reacted to the U.S. war in Cambodia. He went so far as to demand that the U.S. Government pay compensation for the war in Cambodia.

Minister Receives U.S. Official Winston Lord

BK1501062396 Phnom Penh National Radio of Cambodia Network in Cambodian
0500 GMT 15 Jan 96

[FBIS Translated Text] During a meeting at the office of the Ministry of Foreign Affairs and International Cooperation this morning with Winston Lord, the U.S. assistant secretary of state, His Excellency [H.E.] Foreign Minister Ing Huot said Cambodia needs to improve its relations with neighboring countries to facilitate Cambodia's entry into ASEAN in 1997, even if there are problems. This will be in Cambodia's interest in the future when Cambodia becomes a full ASEAN member.

His excellency the U.S. assistant secretary of state said at the meeting that the United States will strive vigorously to consolidate human rights and democracy in Cambodia, particularly to support and refine Cambodia's policy, and also work to develop various sectors in Cambodia. H.E. Winston Lord highly valued Cambodian-U.S. relations in the past, saying these have been good. He pledged continued assistance to Cambodia in the field of Cambodian-U.S. cooperation.

U.S. State Official Lord's Visit Discussed

BK1501144896 Phnom Penh National Radio of Cambodia Network in Cambodian
1300 GMT 15 Jan 96

[Political commentary: "The United States is Always on the Cambodian People's Side"]

[FBIS Translated Text] Yesterday Winston Lord, U.S. assistant secretary of state for East Asia and Pacific affairs, arrived in Phnom Penh for a three-day visit to the Kingdom of Cambodia, from 14 to 16 January. Analysts say this visit will focus on relations between the two countries for 1996.

It should be recalled that Winston Lord has visited Cambodia five times since the establishment of the Royal Government of Cambodia. Lord also accompanied U.S. State Secretary Warren Christopher to Cambodia from 4 to 5 August 1995. The communique issued by the Cambodian Ministry of Foreign Affairs on 11 January said that Winston Lord's visit to Cambodia will focus on the bilateral cooperation between Cambodia and the United States, especially on economic development and the issue of missing U.S. servicemen during the Indochina war.

Like other high-ranking U.S. officials who visit Cambodia, Winston Lord will hold talks with the two Cambodian Prime Ministers and some Cambodian ministers, and also with high-ranking government officials. Apart from this, the Assistant Secretary of State will take part in the ceremony to hand over relief aid of 10,000 tons of rice, organized by the World Food Program in Kompong Speu Province.

It should be recalled that from 9 to 10 January the deputy commander of the U.S. Pacific Command, General David Bramlett, visited Cambodia with the focus on providing aid to former Khmer Rouge soldiers, training of engineering troops, and development aid for the Khmer Royal Armed Forces. Talking to the U.S. General, the leaders of the Cambodian Government said that Cambodia wants humanitarian aid, various vocational training, particularly food aid for families of former Khmer Rouge soldiers who are currently living in society.

Various observers have affirmed that the successive visits by high-ranking military officials and the U.S. Government to Cambodia reflect U.S. attention to Cambodia, which is part of the process to consolidate peace and cooperation in the region. However, it is expected that the sixth visit by Assistant State Secretary Winston Lord to Cambodia will focus on diplomatic relations, economic cooperation, and development rather than military issues.

This has greatly pained and angered a handful of people who hide behind the facade of democracy. Lately they have spent a great deal of time and money to slander the real situation in Cambodia, particularly to paint over our precious democratization process with the aim of hindering the sympathy of the international community, particularly the United States.

Therefore, Winston Lord's current visit will provide new affirmation that the U.S. Government will always be on the side of the Royal Government and of the Cambodian people and that it will not believe the words of a couple of persons.

Khmer Rouge Criticizes Commander Bramlett's Visit

BK1101124896 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 10 Jan 96

[Unattributed commentary]

[FBIS Translated Text] It is reported that David Bramlett, deputy commander in chief of the U.S. Pacific Command, recently came to Cambodia to bestow money upon the United States' out-and-out lackeys, giving them more strength to continue killing the Cambodian people. Bramlett and his associates spread deceiving propaganda claiming that the money given to the lackeys for continuing the war was not intended to kill people. What do they mean by giving money for the continuation of a war in which people will not be killed?

The Cambodian people want to hold Bramlett and his accomplices by the head and make them explain the U.S.-style war where people will not be killed.

In observing the concrete situation in Cambodia, one can clearly see that:

1. In present-day Cambodia, there is a war that has lasted for 17 years so far. The war is waged by communist Vietnam, by Vietnam and UNTAC [UN Transitional Authority in Cambodia], by Vietnam and an alliance, and by Vietnam and the two heads. They have created the fighting that has continued in Cambodia with no end in sight.

2. With the continuing war, the aid and rice given by Bramlett to the two heads' troops are for furthering the war to kill the Cambodian nation and people. The medicine given to the two-headed troops are to kill the Cambodian nation and people. The packed rice given to the two-headed troops is for the continuation of the war. The fuel given to the two-headed troops is to be shipped to the troops to wage war and operate tanks to shoot and kill men and the Cambodian nation and people. The training they have given to the two-headed troops is also for the pursuit of the war to kill men and the Cambodian nation and people.

It is very clear that no one can give money to wage a war where people will not be killed. Those ghouls who have always acted in this manner can only cheat those who are less spirited. The Cambodian nation and people already know them very well, be it their cunning and cruelty, or intention to oppress and kill the Cambodian nation and people.

The Cambodian people wish to tell all of you that if you continue the war, this means that you will spend the money of your people and country to continue a war to kill the Cambodian nation and people. You have made war for years but you cannot end war. The war continues. You have created and perpetuated war everywhere, including Cambodia, Somalia, and Bosnia.

The Cambodian nation and people have the right to struggle. Should you continue the war to kill them, the Cambodian nation and people are fully entitled, according to the UN Charter and international law, to join hands to pursue the struggle against you to defend the nation and protect the nation's honor, identity, sovereignty, and territorial integrity.

By all means, you have already been aware of the great ability of the Cambodian nation and people.

U.S. Urged To Stop 'Brownnosing' Vietnam

BK1201052496 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 11 Jan 96

[Unattributed commentary]

[FBIS Translated Text] The Clinton Administration ordered another commander of the U.S. Pacific Force, David Bramlett, to come to Phnom Penh on 9 January. Observers, both Cambodian and foreign, in the capital city said the second American commander, like the first, travelled to Phnom Penh in a depressed and hopeless mood because he came just to brownnose communist Vietnam in the most shameful manner and because the U.S.-backed forces have been extensively destroyed by communist Vietnam and its puppets. One half of the forces has been totally destroyed while the other has been forced by communist Vietnam and its puppets to act as a smokescreen or to grimace like a dog, claiming that FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] members are also with the two heads.

As for the two heads, who are the premature product of the alliance and communist Vietnam for attacking the Cambodian national and people's forces, they are now enormously swollen up and decaying. Their flesh is being devoured by worms almost everywhere. The two-headed regime is rapidly heading toward total disintegration; absolutely nothing can save it. Its masters, namely, communist Vietnam, the United States, and the alliance, can never save it either.

Not only one but all of the parts of the two-headed regime have decayed in every field and sector. The regime has nothing left, be it military, political, economic, or social. The worst state of all the fields and sectors of the two heads is the consequence of the ghoulish policy and actions carried out by communist Vietnam, the nation-betraying and nation-killing two heads, and the villainous alliance, their master, which has conspired with communist Vietnam and its puppets to massacre and skin the Cambodian nation and people wholesale. Moreover, this, their worst state, is also a result of the persistent, courageous, and stalwart struggle conducted by the entire Cambodian nation and people to oppose the communist Vietnamese aggressors, the communist Vietnamese puppets, the traitorous two heads, and the villainous alliance, which has colluded with communist Vietnam to kill the Cambodian nation and people.

The people in Phnom Penh, like the Cambodian nation and people everywhere, are shouting: Clinton's U.S. Administration must immediately stop supplying aid that is used by the two heads to continue the communist Vietnamese war to kill the Cambodian nation and people! It must also withdraw all U.S. Army staff members from Cambodia forthwith!

The American people and Congress do not want Americans to get bogged down, killed, wounded, or disappear in the communist Vietnamese war of aggression against the Cambodian nation and people. Therefore, upon his return, David Bramlett should emphatically tell this guy Clinton that the United States must stop brownnosing communist Vietnam and allowing itself to be cheated by the latter. It must also stop colluding with communist Vietnam and its puppets to pursue the Cambodian war of racial extermination. It should let Cambodia recover genuine peace and national reconciliation and again enjoy democratic rights and freedom once again.

Sihanouk Plans To Visit PRC for Medical Check

BK0601092396

[FBIS Editorial Report] Phnom Penh National Radio of Cambodia Network in Cambodian at 1300 GMT on 5 January carries an eight-minute recorded address by King Norodom Sihanouk on 5 January. Reception is poor to fair with some indistinct passages.

Sihanouk advises the Cambodian people about religious activities, including the offering of food to monks and the release of birds, which are performed in the royal palace compound in Phnom Penh to mark Buddhist holy and full moon day.

In his message, Sihanouk conveys best wishes to Cambodian leaders and the people nationwide.

At the end of the message, Sihanouk says: "Finally, I would like to inform you that I ask for permission from everyone to let me go to great China — the PRC, a great friend — on 21 January 1996, to go to the hospital in Beijing to let professors and doctors check my health. They have asked me to let them carry out this medical checkup every three or four months. If any disease is detected, they will do their best to do research day and night and to treat me. Despite my ailments — such as cancer, eye and nerve problems, and diabetes — I have been able to serve you, on the one hand, because of all of the merits that all of you have passed on to me; on the other hand, it is because of the efforts of the Chinese doctors."

KNP Fears Attack Against Founder Rangsi

BK1401115696 Hong Kong AFP in English 1142 GMT 14 Jan 96

[FBIS Transcribed Text] PHNOM PENH, Jan 14 (AFP) — The banned opposition Khmer Nation Party (KNP) said Sunday it is concerned that its founder, outspoken government critic Sam Rangsi, may be attacked when he returns to Cambodia Monday.

The party "intensely worries that ... criminal actions may arise particularly on January 15, when Mr. Sam Rangsi returns to Cambodia," KNP Secretary-General Khieu Rada said in a statement.

Khieu Rada referred to an article in Friday's editions of the pro-government, Khmer-language newspaper, KAOH SANTEPHEAP (Island of Peace), which said that university students might beat Sam Rangsi with sticks if he came back to Phnom Penh from an extended trip abroad.

"Sam Rangsi and his puppets will for sure receive sticks on the head from students," the article said according to a KNP translation.

"Sam Rangsi must not return at all otherwise we, students from superior schools and from all universities, will welcome Sam Rangsi and his puppets in the way they deserve," the article said.

Khieu Rada noted that the story was published shortly after Sam Rangsi made a vigorous protest against celebrating January 7 — the day in 1979 that the Khmer Rouge were ousted from power — as a national holiday.

In a statement from Paris last week, Sam Rangsi said January 7, 1979, should not be commemorated as a holiday as it was also the day the Vietnamese army invaded Cambodia and began a decade-long occupation.

The former finance minister-turned-dissident also protested second Prime Minister Hun Sen's remark that anyone who complained about the holiday should go to live in the Khmer Rouge stronghold of Pailin on the Thai border.

Because of Hun Sen'@ comments, the article in Koh Santepheap, an October attack on the office of an opposition newspaper and a late September grenade attack on the office of a political party, Khieu Rada said the KNP was concerned for the safety of Sam Rangsi and party members.

The KNP "asks the competent authorities and, in particular, the Ministry of Interior, to investigate the matter and take all appropriate measures to prevent future violent attacks," he said in the statement.

The government, through the interior ministry, has refused to recognize the KNP as legal since it was founded on November 9 — Cambodian Independence Day — and has ordered Sam Rangsi to close his headquarters which have remained open despite the order.

Sam Rangsi is scheduled to hold a press conference on his return to discuss the future of the KNP.

Khmer Rouge Shellings Kill Four in Poipet

*BK0901081596 Hong Kong AFP in English
0810 GMT 9 Jan 96*

[FBIS Transcribed Text] Poipet, Jan 9 (AFP) — Four people, including three children, were killed Tuesday when Khmer Rouge guerrillas shelled the market town of Poipet in northwestern Cambodia, an AFP reporter saw.

One shell, fired from a hill outside Poipet, landed in the busy market place, killing one woman and two girls instantly.

Sixteen people were taken for treatment at a hospital in the Thai border town of Aranyaprathet, where another girl died after being admitted, Thai officials said.

The Khmer Rouge has been stepping up small attacks in the Poipet area after months of relative inactivity during the rainy season.

Indonesia

East Timorese Youths Enter New Zealand Embassy

*BK1201060996 Hong Kong AFP in English
0547 GMT 12 Jan 96*

[FBIS Transcribed Text] Jakarta, Jan 12 (AFP) — Five East Timorese youths entered the New Zealand embassy here Friday, a few days after two of their colleagues sought asylum at the Australian embassy, a diplomat said.

"We've got five people, they are on the grounds but not in the building," second secretary Tessa Temata told AFP, adding that the five "came in this morning."

She said that the embassy was still talking to the five to determine what they wanted and added that "it is too early to say anything yet."

About 10 uniformed and plainclothes Indonesian security officials, including officials from the special military force Kopassus, were seen outside the New Zealand compound Friday talking to a uniformed embassy official.

Two young East Timorese women entered the Australian embassy Wednesday to seek asylum and protection but Canberra has yet to reply to their requests.

Australian embassy spokesman John Milne told AFP Friday that "there is no new development" regarding the case. He declined to elaborate.

Unconfirmed reports also said that 10 East Timorese had attempted to enter the Japanese embassy earlier Friday, but had been arrested by Indonesian security forces before entering the mission.

"We have been informed after it happened, and we are not aware of the details," Japanese embassy spokesman Suichiro Negata told AFP.

He said no one from the embassy has had any contact with the East Timorese who attempted to enter the mission and he did not know where they were taken.

No arrests were made in front of the Japanese embassy, police said.

Foreign Ministry's acting spokesman, Koko Wijanarko, said that the New Zealand and Japanese embassies "have been in contact with us, and are very careful to maintain good relations with us."

Wijanarko further said that the Indonesian government stood by its position that citizens "who don't like living here, are free to go," adding, however, that the East Timorese "cannot be categorized as true asylum seekers," as they were not being persecuted.

Indonesian troops invaded East Timor in 1975 and the following year Jakarta declared the former Portuguese colony to be Indonesian territory. The UN still views Lisbon as the administrator there.

A total of 43 East Timorese youths have left for asylum in Portugal since September after they entered several embassies here.

East Timorese Remain at Embassy

BK1501024796 Hong Kong AFP in English 0248 GMT 15 Jan 96

[FBIS Transcribed Text] Jakarta, Jan 15 (AFP) — Five East Timorese youths remained at the New Zealand embassy compound here for the fourth day Monday, with the embassy closed because of their presence, a staffer said.

"Yes, the East Timorese are still here," said Wati, an embassy staffer. "The embassy is closed today, we only take incoming messages."

"We plan to be open tomorrow," she said but declined to comment further.

In Wellington, Foreign Minister Don McKinnon said Sunday the five East Timorese at the embassy had agreed to go to Portugal.

McKinnon confirmed that while requests were originally made for asylum in New Zealand, the five "readily agreed" to go to Portugal, the former colonial power in East Timor, which Indonesia invaded and annexed 20 years ago.

"Now that all those directly involved have reached this stage, it is appropriate for the International Committee of the Red Cross to make the necessary arrangements for the trip to Lisbon," he said, adding that he hoped arrangements would be concluded early this week.

The International Committee of the Red Cross (ICRC) office in Jakarta was unavailable for comments Monday morning.

A Darwin-based East Timorese resistance group identified those at the New Zealand embassy as Jose Celano da Freta Soares, Fransisco Vincente Guterres, Isaac Corraya da Silva, Filomeno das Neves and Jose Soares.

A total of 45 East Timorese youths who entered various foreign missions here since September have all left for Portugal, the only country that offered to take them.

On Friday, two left for Lisbon from the Australian embassy. All the departures have been assisted by the ICRC.

Indonesia annexed the former Portuguese colony of East Timor in 1976, but the United Nations still recognizes Lisbon as the administrator of the territory.

Ten other East Timorese attempted to enter the Japanese embassy early Friday but were arrested by Indonesian security forces before entering the mission.

East Timor Women Asylum Seekers Issue Statement

BK1201095196 (Internet) INDONESIA Listserv in English 12 Jan 96

[Statement by Maria T. Sarmento and Odilia Victor, two East Timorese women seeking asylum, issued at the Australian Embassy in Jakarta on 12 January; dated 20 December]

[FBIS Transcribed Text] To all governments respectful of human rights, to all non-government organisations defending human and women's rights, to all women,

In the name of the women of East Timor we send this appeal to you and inform you of the violations of the human rights which have befallen us for the last 20 years. We begin by thanking you deeply for your support for our appeal for a better future for the women of East Timor, and the right of self determination of our beloved East Timorese nation.

We state in all honesty that for the last 20 years since the 7 December 1975 invasion, the women of East Timor have endured suffering, oppression, torture, rape, and murder from the Indonesian military occupiers. As is well known, in the last few months the situation has sharply deteriorated, causing many young East Timorese to flee their homeland and seek the protection of embassies of foreign countries in Jakarta.

The same applies to us. We are the first East Timorese women to come to a foreign embassy to seek protection from mental and physical intimidation. We also put forward a set of demands and appeal to all governments respectful of human rights, all non- government organisations, women's organisations, and women in particular, that the time has come to defend the value the dignity, status, and honour of the women of East Timor, and defend the human rights enshrined in the Universal Declaration of Human Rights of the United Nations.

For the last 20 years thousands of East Timorese women have lost fathers, husbands, brothers and their beloved children, who have died as martyrs for the defence of their homeland in the face of the brutality of the Indonesian military. Many East Timorese women are raped in their homes, on the street, in prisons, in the villages and in the bush.

Many East Timorese women are used held to ransom to get the men to surrender their struggle.

Many East Timorese women are forced to become pregnant by the occupiers. Many East Timorese women are made to give birth to children whose father is uncertain. Many east Timorese women have been forced into prostitution after being forced to lose their virginity. Many East Timorese mothers are forced to helplessly witness the rape of their daughters. Many East Timorese women hear powerlessly about the arrests, torture, and murder of their beloved fathers, husbands, and children.

In our national resistance movement women have an important involvement side by side with the men. We are deeply involved because we are certain that we shall win.

We ask all governments who respect human rights, non government organisations and women in the world to condemn the invasion of East Timor by the dictatorial regime of Indonesia, and issue the following demands:

1. That a United Nations organised referendum is held in East Timor.

2. The withdrawal of all Indonesian military troops and their equipment from East Timor.

3. The sending of an international peace keeping force to the territory.

4. Freedom for all East Timorese political prisoners since 1975, and the highest leader of the East Timorese resistance Xanana Gusmao, so that inter-Timorese meetings may acquire a true relevance.

5. Respect for the Catholic Church of East Timor.

We ask for pressure the Australian Government to accept our request for political asylum.

We write this letter for publication throughout the world. The human rights violations taking place in East Timor should be internationally condemned.

We ask all governments respectful of human rights, all non- government organisations defending human and women's rights, and all women of the world to forward this letter to all people who are concerned about human rights violations taking place in East Timor, and support the right of self determination of the East Timorese people.

Our struggle will continue on all fronts. Long live the women of East Timor Long Live East Timor.

20 December 1995. [date as received]

Signed by Maria Transfiguracao Sarmento and Odilia Victor.

For further information contact Jose Gusmao +61 89 275478 (089 275478).

Asylum Seekers Depart for Portugal

BK1201105196 Hong Kong AFP in English 1037 GMT 12 Jan 96

[FBIS Transcribed Text] JAKARTA, Jan 12 (AFP)—Two East Timorese women who sought asylum at the Australian embassy in the Indonesian capital on Wednesday, left the premises Friday for Portugal.

"They got approval from Portugal today. They're leaving tonight for Portugal via Amsterdam," chief delegate of the International Committee of the Red Cross (ICRC) here, Henri Fournier, told AFP.

The women left the embassy in the back seat of a Red Cross vehicle.

They will leave aboard a commercial flight of the Dutch airline KLM, Fournier said.

The women will be joining 43 other East Timorese who have already been flown to Portugal since September after taking refuge in various foreign missions in Jakarta.

The ICRC has assisted the departure of all the asylum seekers to Portugal.

The women, identified by a Darwin-based East Timorese resistance group as Maria Sarmento, 23, and Odilia

Victor, 25, entered the embassy around noon Wednesday.

Fournier said they wanted to go "to any place which can offer them asylum."

Five other East Timorese youths, who took refuge in the New Zealand embassy early Friday reportedly with a similar motive, were still there when the women left the Australian mission.

New Zealand embassy officials referred all queries about the five to Wellington.

Resistance Details Asylum Bid at Embassy

BK1401105696 (Internet) INDONESIA Listserv in English 13 Jan 96

["Media Release" issued by East Timor National Council of Maubere Resistance on 13 Jan — place not given]

[FBIS Transcribed Text] Five young male East Timorese students at Dili's University have entered the New Zealand Embassy in Jakarta to flee from harassment and pursuit by the Indonesian military in East Timor, on account of their anti-integration activities.

The five, who are said to have left Dili recently, are: Jose Celano de Freitas Soares, Francisco Vicente Guterres, Isaac Correia da Silva, Filomeno das Neves, and Jose Soares. Two of them are reported to have slightly injured themselves when entering the Embassy. A further 10 East Timorese have been arrested by Indonesian authorities while attempting to enter the Japanese Embassy in Jakarta, also to seek protection from the Indonesian military.

These latest actions, which can be expected to be followed by others still, represent efforts by a large number of East Timorese youths to seek to escape growing repression by the Indonesian occupation forces in East Timor, which has sharply increased in the second half of 1995. Many youths have fled the occupied territory in recent months, heading primarily for Jakarta with the intention to seek the protection of foreign embassies, and their assistance to flee Indonesia.

There is a large number of East Timorese youths at present in hiding at various locations in Java, intensely pursued by the Indonesian military to prevent them from entering embassies, thus exposing their plight, and that of the East Timorese people in general, to the outside world. The young people in hiding in Java are under great difficulties, facing an alien and unsupportive environment, and generally lacking financial resources to adequately sustain themselves. Many East Timorese youths domiciled in Java are under great pressure from the military, who suspect them of harbouring intending asylum seekers.

The present situation makes the likelihood of further attempts by desperate East Timorese to enter foreign embassies in Jakarta most likely, unless the oppressive situation in the territory occupied by Indonesia improves. Only strong concerted international pressure on the Suharto dictatorship is likely to produce any meaningful change.

Troops Search for Kidnap Victims

BK1201021696 Melbourne Radio Australia in English 0100 GMT 12 Jan 96

[FBIS Transcribed Text] Hundreds of Indonesian troops are continuing to search for a group of 17 Indonesians and seven foreigners kidnapped earlier this week by rebels in the eastern province of Irian Jaya. A special military unit is to have been set up to hunt for the kidnappers and to prevent them from moving their captives across the border into neighboring Papua New Guinea. Military officials said every effort would be made to free the hostages while they were still on Indonesian territory.

The group was kidnapped in the Baliem Valley on Monday by members of the Free Papua Movement, or OPM [Organisasi Papua Merdeka]. An OPM leader in Port Moresby said the kidnappings were part of a new strategy to bring the separatist cause to world's attention. The foreigners being held are being identified as wildlife researchers from Britain, Germany, and the Netherlands.

Further on Search for Kidnapped

BK1201050396 Hong Kong AFP in English 0434 GMT 12 Jan 96

[FBIS Transcribed Text] Jakarta, Jan 12 (AFP) — Indonesian troops searched through the jungles of Indonesia's easternmost province of Irian Jaya on Friday for seven foreigners and 17 Indonesians believed kidnapped by separatist rebels.

"It's like looking for ants in a football field," Irian Jaya military spokesman, Lieutenant Colonel Maulud Hidayat, told AFP by telephone from the capital Jayapura.

According to Indonesian military spokesman Brigadier General Suwarno Adiwijoyo the 24 people were attacked and captured by about 200 GPK [security disturbance movement] rebels, Antara news agency reported.

GPK is the official Indonesian term to designate separatist movements throughout the country, and in this case refers to the Free Papua Movement (OPM) which has been fighting for a separate Melanesian state in Irian Jaya for more than 30 years.

Hidayat said Friday that the 200 abductors were "armed with firearms and sharp objects like spears and bows and arrows." He said the military still had no information about the condition of the victims who were kidnapped Monday.

The OPM has not contacted anyone, Hidayat said.

But on Thursday the Australian Broadcasting Company broadcast a telephone interview with Moses Weror, an OPM leader in Port Moresby, who said the kidnappings were "part of our new strategy" to bring the separatist cause to world attention.

Adiwijoyo identified the missing foreigners as Daniel Start, 21, William P. Oates, 22, Annette van der Kolk, 21 and Anna McIvor, 20, all British nationals, and Frank Momberg from Germany, and Mark van der Wal and Martha Klan from the Netherlands.

The Britons were recent graduates of Cambridge University and were working as researchers with a scientific expedition in the area, while the other three were employees of the WorldWide Fund for Nature (WWF).

The expedition was aimed at protecting the Lorentz reservation park and helping the local population make sustainable use of the area's natural resources. Most of the researchers were biologists.

Only 15 of the 17 Indonesians kidnapped have been identified. They included four young researchers, one university lecturer, one official of the local nature protection office, one official of the Indonesian Institute for Sciences, three local village officials, four health workers and one churchman.

Meanwhile Dutch, British and German diplomats, who arrived in Jayapura on Thursday, have met with the Irian Jaya Military Commander Major-General Dunija. They also met with local WWF officials, Antara said.

Hidayat said he did not know whether the diplomats were still in Jayapura.

Adiwijoyo said Thursday that "troops are currently making efforts to prevent the GPK from taking the hostages to the border area with Papua New Guinea and are determined to free them while they are still within Indonesian territory."

The military wanted to free the hostages "alive," Antara quoted the head of the Irian Jaya military general staff, Brigadier General Amir Syarifuddin as saying.

The OPM has fought for independence for the Melanesian-populated former Dutch colony of Western New Guinea which became Indonesia's Irian Jaya province in 1964.

In November the group abducted some 200 civilians in Merauke district and took them to a place believed to be in Papua New Guinea where they are believed to be still held.

The same month the OPM also kidnapped two Indonesian high school students and are holding them for a 10,000 dollars ransom.

Abductors Select German National as 'Mediator'

BK1501142596 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 15 Jan 96

[FBIS Translated Text] The thirteen [figure as heard] hostages still held by GPK-OPM [Free Papua Organization, Security Disturbance Movement] in Irian Jaya are in relatively good health. Their condition was learned after Frank Momberg, a German national who is one of the hostages, was selected by his captors to be a mediator.

Speaking in Jakarta, Brigadier General Suwarno Adiwijoyo, chief of ABRI [Armed Forces of the Republic of Indonesia] Information Service, said Frank Momberg was selected by the GPK-OPM to mediate the talks after the GPK-OPM received food and medicine from security authorities this morning. Frank Momberg met with Brig. Gen. Prabowo Subianto, commander of ABRI Special Forces, and other local military officers, and briefed them on his captors' demands.

The German national has been selected as a mediator because of his communications skills — he speaks Kalimantan, Irian Jaya, and Indonesian languages. He is a Worldwide Fund for Nature consultant and his family is waiting for him in Germany, where he was to return to see his ailing mother.

As for the abductors' demands for a helicopter, Brig. Gen. Suwarno said that ABRI will not allow the helicopters to be used for the benefit of the OPM. ABRI will provide a helicopter if it is to be used for the release of the hostages.

Meanwhile, two tribal chiefs from Wamena — (Mashile Kubi) and (Asemosi Kubi) — condemned the abduction of the innocent hostages by the GPK-OPM. The two tribal chiefs said that abduction and the taking of hostages are not part of the Irian Jaya culture. If one tribe loses a war, it does not resort to abduction and hostage- taking. They also called on Irian Jaya traditional tribesmen not to be influenced by GPK-OPM propaganda because Irian Jaya's integration into Indonesia is the best option despite inadequacies in national development.

Military Refuse To Recognize German as 'Mediator'

BK1601082296 Jakarta Radio Republik Indonesia Network in Indonesian 0700 GMT 16 Jan 96

[Report by Syaifullah Saari]

[FBIS Translated Excerpt] The Indonesian Government is continuing efforts to free hostages held by the Irian Jaya security disturbance movement in Mapunduma Village, Tiom Subdistrict, Jayawijaya District. Meanwhile, the hostages said at the place where they were being held that they were safe. The Armed Forces of the Republic of Indonesia [ABRI] is trying hard to free the hostages held by the self-styled Free Papua Movement. [passage omitted covered by referent item]

Answering a question on the status of a mediator in the kidnapping case, ABRI Commander General Feisal Tanjung said Frank Momberg, who is a German national, was not regarded as a mediator, but rather as a captive of the security disturbance movement. The German captive has been temporarily released by the movement. Momberg brought letters from other captives to the authorities. The letters from Saraswati, Navy Panekenan, Mathius Lasamahu, Jualita Tanasale, Marcus Warip, and Abraham Wanggae have been handed over to the commander of the Wamena Military District Command. The persons, who have been held for eight days, say that they are in good health. The letters have already been conveyed to their respective relatives.

Meanwhile, the Embassy of the Republic of Indonesia in London has been trying to explain the efforts to free the hostages. According to the ANTARA news agency, British mass media outlets have tried to obtain information on the efforts. Sukendar Munthe, minister counselor for information at the Embassy of the Republic of Indonesia in London, said that the Indonesian Government had been trying hard to free the hostages.

Troops Free 11 Hostages in Irian Jaya

BK1301084196 Melbourne Radio Australia in English 0500 GMT 13 Jan 96

[FBIS Transcribed Text] The Indonesian Military says it has freed 11 of the 17 Indonesians and seven foreigners captured by rebels in the eastern province of Irian Jaya.

The official ANTARA news agency quotes Armed Forces Spokesman Brigadier General Suwarno Adiwijoyo as saying the 11 hostages had been freed by a special armed forces team in the village of Jiji some 40 kilometers from where the kidnapping took place earlier this week.

Speaking at Bandung in West Java, Gen. Adiwijoyo said the hostages were not released by their captives but he declined to give further details. The eleven Indonesians freed included three villages officials, four health workers, and a churchman.

The rebels are still thought to be holding six Indonesians, four Britons, two Dutch nationals, and a German. The Britons are recent- graduate of Cambridge University working as researchers with the scientific expedition in Irian Jaya. One of the Dutch national is a Jakarta-based official with UNESCO. The other Dutch national and the German are employees of the WorldWide Fund for Nature. Their condition is not known.

The hostages were captured by about 200 Irian rebels in the (Mapundum) area of Jayawijaya District in the jungle-clad mountain of Central Irian Jaya. Indonesian authorities have offered safe passage to the rebels in return for the release of all the hostages. The military command in Irian Jaya has said it is moving very carefully and in order to secure the safe release of the hostages.

Military Officer, Legislator on Kidnappings

BK1201081096 Jakarta Radio Republik Indonesia Network in Indonesian 0700 GMT 12 Jan 96

[Report by Tony Koadiwelas]

[FBIS Translated Text] Major General Dunija, commander of the Trikora 8th Military Region Command, and officers of the command are making efforts to tackle the kidnapping of 24 people in the Baliem Valley area of Jayawijaya District.

In a telephone interview with RRI this afternoon, Lieutenant Colonel Maulud Hidayat, head of the Information Service of the Trikora 8th Military Region Command, said the Trikora 8th Military Region Command is looking for the location where the 24 Indonesians and foreigners are being held by their kidnappers. The Trikora 8th Military Region Command has called on citizens to create a secure and stable situation in Irian Jaya through the implementation of the neighborhood security system.

According to Lt. Col. Maulud Hidayat, missionaries working in the area reported that a group of men armed with traditional weapons captured 24 people and took them hostage at about 1200 East Indonesian Standard Time [0300 GMT] on 8 January. The Trikora 8th Military Region Command received the report at 2200 East Indonesian Standard Time on 9 January:

[Begin Hidayat recording, in progress] ...based on the report by the missionaries, which we will verify, a group of men armed with traditional weapons was involved in the incident. Certainly, we believe they are members of the GPK [security disturbance movement] still at large in the region. [end recording]

The head of the Information Service of the Trikora 8th Military Region Command said there had been no direct contact between the command and the kidnappers. The officer added that the kidnapping of two Indonesian students in Irian Jaya two weeks earlier had no direct link to the kidnapping of the 24 people in Jayawijaya District. The kidnappers of the two students have demanded that the Irian Jaya governor pay a ransom of 45 million rupiah for their release.

The latest kidnapping case has drawn the special attention of Commission I [Roman one — in charge of foreign affairs, defense, security, and information] of the House of Representatives. Speaking to RRI in Jakarta 30 minutes ago, Commission I Chairman Abu Hazan Sazili said it would be normal and correct for the Armed Forces of the Republic of Indonesia [ABRI] to take repressive measures against the kidnappers and the self-styled OPM [Free Papua Movement], which have long disrupted security and order in Irian Jaya:

[Begin Sazili recording] Well, there is no other way. I will strongly support an ABRI operation in accordance with ABRI's operational procedures. The OPM should be taught a lesson so that it will not perpetrate similar acts in the future. [end recording]

According to Abu Hasan Sazili, Indonesia should not be worried about foreign comments regarding human rights if the ABRI is forced to launch a military operation to release the hostages. The chairman of Commission I of the House of Representatives, however, asked ABRI to conduct an early intelligence operation and try negotiations before launching a military operation.

Commission I of the House of Representatives has reminded the government to promote the development of border areas to meet the basic needs of citizens in the Irian Jaya hinterland.

Military Offers 'Safe Passage' to Kidnappers

BK1201141896 Hong Kong AFP in English 1414 GMT 12 Jan 96

[FBIS Transcribed Text] JAKARTA, Jan 12 (AFP) — The military on Friday offered safe passage to a rebel group in the jungle of Irian Jaya in return for the release of the 17 Indonesians and seven foreigners they are holding, a source said here Friday.

Brigadier General Amir Syarifuddin, chief of staff in Irian Jaya, Indonesia's easternmost province, sent a message to the kidnappers through local informers, a Dutch reporter who interviewed him told AFP.

The rebels are holding four Britons, two Dutch nationals and a German.

Syarifuddin, contacted by phone Friday said the military "will today relay the message to the kidnappers that they would not be disturbed if they release the hostages unharmed," Dirk Vlasblom of the NRC Handelsblad daily said.

Syarifuddin, who could not be contacted for confirmation, said the hostages were held by their captors in an area near the Armandville river in the Tiom sub-district of the Jayawijaya district in central Irian Jaya.

He identified the captors as "a GPK group" led by Kelly Kwalik.

GPK is the official term to designate separatist movements throughout the country, and in this case refers to the Free Papua Movement (OPM) which has been fighting for a separate state in Irian Jaya for more than 30 years.

Syarifuddin said the military was acting "very carefully, as the most important thing is the hostages' safety." The Antara news agency earlier Friday quoted him saying the military wanted to free the hostages "alive."

According to Indonesian military spokesman Brigadier General Suwarno Adiwijoyo, the 24 hostages were attacked and captured by about 200 GPK rebels, Antara reported.

The command's spokesman, Lieutenant Colonel Maulud Hidayat said Friday that the 200 abductors were "armed with firearms and sharp objects like spears and bows and arrows."

He said the military had no information on the condition of the hostages who were kidnapped Monday and the OPM has not contacted anyone.

But on Thursday the Australian Broadcasting Company broadcast a telephone interview with Moses Weror, an OPM leader in Port Moresby, who said the kidnappings were "part of our new strategy" to bring the separatist cause to world attention.

Adiwijoyo identified the missing foreigners as Daniel Start, 21, William P. Oates, 22, Annette van der Kolk, 21 and Anna McIvor, 20, all British nationals, and Frank Momberg from Germany, and Mark van der Wal and Martha Klan from the Netherlands.

The Britons were recent graduates of Cambridge University, working as researchers with a scientific expedition in the area, Momberg and Van der Wal were employees of the WorldWide Fund for Nature (WWF) while Klan was a Jakarta-based UNESCO environment official.

Russel Brett, the WWF chief representative in Jakarta, said the OPM representative interviewed by telephone had referred to the kidnap victims as "guests."

"We take that to mean that there is no hostile intention towards the people that are with them. That gives us hope that there would be some kind of discussions, or neg@@iations, which will lead to their early release," Brett said.

The expedition was aimed at protecting the Lorentz reservation park and helping the local population make sustainable use of the area's natural resources. Most of the researchers were biologists.

Only 15 of the 17 Indonesians kidnapped have been identified. They included four young researchers, one university lecturer, one official of the local nature protection office, one official of the Indonesian Institute for Sciences, three local village officials, four health workers and one churchman.

Syarifudin said Dutch, British and German diplomats were in Wamena, the main town of Jayawijaya. He said he had told them they could investigate the case "as long as they don't interfere with the military operation, as it is too risky.

Military Confirms Rescue of 11 Hostages

BK1301095496 Jakarta Radio Republik Indonesia Network in Indonesian 0700 GMT 13 Jan 96

[FBIS Translated Text] ABRI [Armed Forces of the Republic of Indonesia] Special Forces have successfully freed 11 of the 24 people taken hostage by the OPM [Free Papua Organization]. Our correspondent Hasto Kuncoro reports on the ABRI operation and the latest situation on the hostages in Irian Jaya:

[Begin recording] [Kuncoro] The 11 people freed from OPM captivity are all Indonesians, while seven of the remaining 13 are foreigners. They include two researchers from the WWF [World Wildlife Fund for Nature] and four from Cambridge University. Brigadier General Suwarno Adiwijaya, chief of ABRI Information Service, said ABRI Special Forces had successfully freed the 11 hostages in Jiji village, about 40 km from where they were first taken hostage in Tiom subdistrict, Jayawijaya district, Irian Jaya Province. The 11 hostages were safely freed, but it is not known whether an armed clash occured during the process. The fact that other hostages have not been freed is a challenge to ABRI to solve the case swiftly because several of them are foreigners and the incident has been widely reported overseas. However, Army Chief General R. Hartono said ABRI has the ability to solve the case without aid from the armed forces of other countries, even though the case involves several foreigners. Data from the Indonesian Army show that the OPM now only has about 300 to 400 men, who are trying to attract world attention by abducting foreigners. Therefore, ABRI decided to unleash its Special Forces to solve this case. Major General Dunija, commander of the Trikora Eighth Regional Military Command, and his men yesterday began the operation to free the hostages. Meanwhile, Lieutenant Colonel Maulud Hidayat, spokesman of the Trikora Eighth Regional Military Command, said in Jayapura this afternoon that there is no new development on the case, adding that despite the area's unfavorable terrain, ABRI will continue with the rescue operation.

[Hidayat] All of us hope the rescue will be successful and that we will not have any human casualties. We will do our best to ensure that all hostages are safely freed. However, we still need time due to the obstacles and terrain. We want to tell the relatives of the hostages that we will do our best to free them.

[Kuncoro] Of the 11 freed hostages, eight have been identified. They are Mapenduma village chief (Alex Musidi), village secretary (Philipus Teseriat), village official (Isak Weteirat), and local church official (Jatiuh Ilupure). The remaining four are officials of the Public Health Center, namely (Levi Nasariat), (Martasina), (Lasani Wanibu), and (Martin Lianga). The three other freed hostages still cannot be identified. [end recording]

Military Continues Hunt for Kidnappers

BK1401090296 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 14 Jan 96

[FBIS Translated Text] ABRI [Armed Forces of the Republic of Indonesia] will continue to hunt kidnappers who still hold several people hostage in Irian Jaya's Jayawijaya district. Defense and Security Minister Edi Sudrajat said this to reporters after he addressed a gathering of former ABRI high-ranking officers in Jakarta today. The minister expressed confidence that the hostage situation will be solved soon.

[Begin Sudrajat recording] It is not easy to find a solution to this case. Just imagine that the forests are four times as large as Java, while the area's population is less than one million. We must mobilize all our resources to carry out this task. [end recording]

Replying to a reporter's question on the hostage case at Mapenduma village, Tiom subdistrict, Jayawijaya district, the defense and security minister said it is not necessary to boost the number of security personnel involved in the rescue operation, because ABRI Special Forces are capable of tackling the difficult terrain.

Rebels Reportedly Demand Plane, Pilot

LD1401104896 Melbourne Radio Australia in English 1000 GMT 14 Jan 96

[FBIS Transcribed Text] Reports from Indonesia say Melanesian rebels holding 15 people hostage in the eastern province of Irian Jaya have demanded an airplane and a pilot. The official Antara News Agency said the rebels made the demand after establishing radio contact with a military unit stationed in the central Irian Jaya town of Wamena near where the hostages were kidnapped nearly a week ago.

Antara also quoted military sources as saying that the rebels, members of the Free Papua Movement or OPM, had also demanded to hold talks with four Christian priests. The priests are all engaged in missionary work in Irian Jaya.

Antara said one of the hostages had been allowed to speak on the radio. He had said the health of the hostages was deteriorating and asked that food and medicine by airdropped to them.

Missionaries Negotiating for Release of Hostages

BK1501052596 Hong Kong AFP in English 0522 GMT 15 Jan 96

[FBIS Transcribed Text] Jakarta, Jan 15 (AFP) — Missionaries were negotiating Monday with rebels holding 15 hostages, including seven foreigners, in the jungles of Indonesia's easternmost province of Irian Jaya, the military said here.

Brigadier General Suwarno Adiwijoyo, a military spokesman, told AFP that through the missionaries, including Catholic Bishop Herman Munninghoff, "we are trying to persuade the rebels to release the hostages."

Adiwijoyo had said on Sunday that Frank Momberg, a German hostage, had been allowed radio contact with authorities and passed on the kidnappers' demands for a plane, a pilot and a meeting with four priests.

Momberg also said the hostages — four Britons, two Dutch nationals, and eight Indonesians in addition to himself — were in good condition.

They were being held by members of the pro-independence Free Papua Organization (OPM), which has been fighting for an independent state in Irian Jaya since 1964, when the former Dutch territory of Western Papua became an Indonesian province.

Adiwijoyo did not say whether the missionaries were negotiating with the kidnappers face-to-face near Mapenduma village in the mountainous Tiom subdistrict.

He said that while military actions have been prepared, "it still needs very careful consideration, as the safety of the hostages is very important."

Adiwijoyo also said the rebels' demand for "an airplane and helicopters," made through radio contact, "is still under discussion."

"However, this request is not logical given the mountainous area of the territory," Adiwijoyo said, adding that "the military will not negotiate with criminals."

He also confirmed that nine Indonesians among the original 24 hostages had been freed on Friday.

The hostages were freed in the village of Jiji, some 40 kilometres (25 miles) from Mapunduma village where the group had been abducted by some 200 men last week, the military said.

The missing foreigners were identified as Daniel Start, 21, William P. Oates, 22, Annette van der Kolk, 21 and Anna McIvor, 20, all British nationals, Momberg, and Mark van der Wal and Martha Klein of the Netherlands.

The Britons were working as researchers with a scientific expedition in the area. Momberg and Van der Wal are employees of the World Wide Fund for Nature while Klein is a Jakarta-based UNESCO environment official.

European Hostages Reportedly Treated Well

BK1301115496 Hong Kong AFP in English 1129 GMT 13 Jan 96

[FBIS Transcribed Text] JAKARTA, Jan 13 (AFP) — The Indonesian military said Saturday operations would continue to obtain the safe release of a further 13 hostages, including seven foreigners, held by a rebel group in the jungle-clad eastern province of Irian Jaya.

Irian Jaya command spokesman Lieutenant Colonel Maulud Hidayat said there had been no further developments since the earlier release of 11 hostages, all Indonesians, but added that ABRI (the Indonesian military) would "continue to work for the safe release of the 13 other hostages."

The official Antara news agency quoted armed forces spokesman Brigadier General Suwarno Adiwijoyo as saying that "The ABRI special team has freed 11 hostages, all Indonesian citizens."

"They were not released (by their captors) but freed by the troops," Adiwijoyo said, adding that the freed hostages were unharmed.

The captors, a rebel group headed by Kelly Kwalik according to the military, still hold four Britons, two Dutch nationals, a German and six other Indonesians, whose condition was unknown.

In The Hague a foreign ministry spokeswoman said the group had told a Dutch priest in Irian Jaya that they would only negotiate with local missionaries.

Djoeke Koekoek said the priest had spoken to the German hostage, Frank Momberg and an unidentified Indonesian by radio.

The two told the priest they were being well treated, the spokesman said, adding the ministry had not been able to confirm the information provided by the priest, Bishop H. Munninghoff.

Adiwijoyo also said from Bandung, West Java, that following initial questioning of those released, it appeared that their captors had split up into several smaller groups "to eliminate their traces so that it would not be easy for the special troops that are currently after them to detect (them)."

He said that the troops knew where the groups were heading.

"Now, it is only a matter of time before all (hostages) are freed," Adiwijoyo said, without elaborating.

In Frankfurt, Germany, a WorldWide Fund for Nature (WWF) spokesman said Friday that nine Indonesian hostages had been freed and had informed Indonesian authorities of their release.

Adiwijoyo said the 11 hostages were freed in the village of Jiji, some 40 kilometres (25 miles) from the site of the kidnapping, at 11:30 a.m. (0230 GMT) Friday.

An incomplete list of names of those freed, missing one name, indicated that they were all natives of Irian Jaya and included village officials, health workers and one churchman.

A source told AFP Friday that the military has offered safe passage to the rebel group in return for the release of all the hostages.

Brigadier General Amir Syarifuddin, chief of staff in Irian Jaya, sent a message to the kidnappers through local informers, Dirk Vlasblom of the NRC Handelsblad daily who interviewed him said.

Syarifuddin, who could not be contacted for confirmation, said the hostages were held by their captors in an area near the Armandville river in the Tiom sub-district.

He said the military was acting "very carefully, as the most important thing is the hostages' safety." Syarifuddin has been quoted by Antara as saying the military wanted to free the hostages "alive."

Adiwijoyo has said that the 24 hostages were attacked and captured by about 200 "GPK" members in the Mapunduma area, Tiom sub- district, in the mountainous, jungle-clad central Irian Jaya district of Jayawijaya.

GPK is the official term to designate separatist movements in Indonesia, and in this case refers to the Free Papua Movement (OPM) which has been fighting for a separate state in predominantly Melanesian Irian Jaya for more than 30 years.

Adiwijoyo identified the missing foreigners as Daniel Start, 21, William P. Oates, 22, Annette van der Kolk, 21 and Anna McIvor, 20, all British nationals, Frank Momberg from Germany, and Mark van der Wal and Martha Klein (eds:correct) from the Netherlands.

The Britons were recent graduates of Cambridge University, working as researchers with a scientific expedition in the area. Momberg and Van der Wal were employees of the WWF while Klein was a Jakarta-based UNESCO environment official.

German Hostage Released by 'Rebel Group'

BK1501081696 Hong Kong AFP in English 0819 GMT 15 Jan 96

[FBIS Transcribed Text] Jakarta, Jan 15 (AFP) — German citizen Frank Momberg, one of seven foreigners taken hostage by a rebel group in the jungles of the easternmost Indonesian province of Irian Jaya, was released Monday, the region's military spokesman, Lieutenant Colonel Maulud Hidayat told AFP.

His release came after the Bishop of Irian Jaya, Herman Munninghoff, went into the jungles to negotiate for the freedom of the 15 hostages who include seven foreigners.

Four British and two Dutch researchers, who were working in the jungles, were also seized last week.

Irian Jaya Hostages Reportedly in 'Good Health'

BK1501093396 Jakarta MERDEKA in Indonesian 15 Jan 96 p 1

[FBIS Translated Excerpt] Jakarta, Sunday, MERDEKA — All the hostages abducted by GPK OPM [Free Papua Organization, Security Disturbance Movement] are safe. This was confirmed after ABRI [Armed Forces of the Republic of Indonesia] managed to contact the abductors via two sets of Single Side Band [three preceding words in English] radio.

Speaking to a MERDEKA correspondent at his residence in Bandung last night, Brigadier General Suwarno

Adiwijoyo, chief of ABRI Information Service, said ABRI learned about the condition of the hostages and even spoke to one of them. The man they spoke to is Frank Momberg, a German national who works for the Worldwide Fund for Nature, who said that all the hostages were in good health and that their hands were no longer tied as they had been when they were first captured.

Brig. Gen. Suwarno said one of the radio sets belongs to the Mapunduma village's Public Health Center while the other one belonged to the Klasis Kingmi Church before GPK members seized it. From the two radio sets, ABRI managed to learn about the whereabouts of the hostages.

A source in Irian Jaya said on Sunday morning that the abductors had demanded an airplane and a civilian pilot. Further contacts with the abductors resulted in the abductors insisting the authorities meet their demands. The abductors also called for the dispatch of four clergymen to Mapunduma village for talks. The four men are: Paul Burkat, head of the Protestant missionary group; Uhamus Gobay, a pastor of the Irian Jaya Protestant Church; Adrian Vander Bell; and Catholic Bishop Muninghoff. These clergymen are expected to act as mediators in the hostage situation, which has entered its seventh day as they were first captured on 7 December.

Through radio contact, the source said ABRI authorities also had a chance to talk to another hostage called Yacobus Wandiba.

Asked to comment about the GPK demands, Brig. Gen. Suwarno said he had not heard about them. If the demands are true, he thinks they are unreasonable.

"It is a stupid demand. How can an airplane land in the steep mountainous areas and dense forests?" he asked.

As for contacts with the clergymen, Suwarno said Bishop Muninghoff had already made efforts to contact the abductors.

Suwarno stressed there is no way to hold talks with GPK OPM for the release of the hostages because what they have done is classified as criminal act.

"The nine hostages who were released was not a result of talks with GPK," he said.

The chief of ABRI Information Service is optimistic over the follow-up operations to free the 15 remaining hostages. He said it is only a matter of time before they are released because ABRI Special Forces have been assigned in the area.

"The success of the ABRI Special Forces will further isolate the GPK and it is a matter of time to see the release of all the hostages," Suwarno said.

As reported earlier, ABRI continues to hunt for the abductors. KOSTRAD [Army Strategic Reserve Command] Commander Major General Tarub and Special Forces Commander Brig. Gen. Prabowo Subianto are among the top military officers who have been dispatched to Wamena, the closest town to the spot where the hostages were abducted. [passage omitted on statement issued by Netherlands Foreign Ministry]

Kidnappers Release German Hostage 'Temporarily'

LD1501120396 Berlin N-TV in German
1100 GMT 15 Jan 96

[FBIS Translated Text] In Indonesia the kidnappers of the European scientists have apparently released a German hostage only temporarily. The Berlin geologist Frank Momberg is supposed to pass on a message and then return to the kidnappers. Momberg's health is fine, an Army spokesman said.

Momberg and another 23 people were kidnapped in the area around Jayapura a week ago. The kidnappers are still holding 14 hostages. They are fighting for the independence of the Indonesian province of Irian Jaya.

German Hostage Reports Hostages 'Safe' 'Healthy'

BK1501163396 Hong Kong AFP in English
1522 GMT 15 Jan 96

[FBIS Transcribed Text] JAKARTA, Jan 15 (AFP) — A German hostage temporarily freed by a rebel group fighting Indonesian rule in the jungle-clad eastern province of Irian Jaya said Monday all 14 other hostages, including six foreigners, were safe and in good health.

"The other hostages are in safe and healthy conditions. While held by the GPK-OPM [Free Papua Organization, Security Disturbance Movement] forces we have been treated well," German national Frank Momberg said, speaking in Indonesian, during a brief telephone interview aired by the state broadcasting company Televisi Republik Indonesia (TVRI.)

He said that none of the hostages were sick.

"But unfortunately one of the hostages, Martha Klein, is pregnant and the son of Jacobus, Suwandito, is only six months old. I hope that (they) can be released soon," Momberg said.

Klein is a Dutch national working with the Jakarta office of UNESCO as an environmental official. Jacobus (eds: one name) is listed as one of the eight Indonesian hostages held by the rebels.

The other foreign hostages were Daniel Start, 21, William P. Oates, 22, Annette van der Kolk, 21 and Anna McIvor, 20, all Britons working as researchers with a scientific expedition in the area, WWF official Mark van der Wal of the Netherlands.

The 31-year-old employee of the World Wide Fund for Nature (WWF) did not elaborate on rebel demands or any other issues.

Earlier Monday, Armed Forces Headquarters' spokesman Brigadier General Suwarno Adiwijoyo said: "After Momberg has given explanations about the situation of the GPK-OPM and the hostages, he will immediately return to the (hostages') location so as not to threaten the safety of the other hostages."

GPK, an acronym meaning security-disturbing group, is the official term for separatist movements in Indonesia.

In Irian Jaya, it refers to the Free Papua Organization (OPM) which has been fighting for an independent state there since the former Dutch colony of Western Papua became an Indonesian province in 1964.

The military has said that the hostages were held by an OPM group under the leadership of Kelly Kwalik.

Adiwijoyo, also speaking in a telephone interview broadcast by TVRI, said that four missionaries who had met the rebels early Monday "were successful in borrowing Frank Momberg, the German who is a WWF member, to become the mediator between the military and the GPK."

A spokeswoman of the World Wide Fund for Nature (WWF) said earlier Monday in Frankfurt, Germany, that WWF employee Momberg had "solemnly promised to return" after publicising the rebels' cause on television.

Momberg's provisional release followed six hours of talks between the rebels and four missionaries led by Roman Catholic Bishop of Irian Jaya, Herman Munninghoff, at an undisclosed location, Adiwijoyo said.

Adiwijoyo said the missionaries went into the jungle in a chartered helicopter taking food and medicine, adding that "We are trying to persuade the rebels to release the hostages."

"The medicine and food has been sent immediately, as we take the hostages' health into consideration," Adiwijoyo said.

Some 200 men of the OPM seized 24 people, including seven European researchers, in Mapunduma village, Tiom sub-district, on January 8. Nine people, all Indonesian, were released last Friday.

Momberg had been allowed radio contact with the Indonesian authorities and had passed on the kidnappers' demands for a plane, a pilot and a meeting with four priests, Adiwijoyo said Sunday.

The German was flown to Wamena, the main town in the Jayawijaya district where the kidnapping took place, together with the missionaries.

Released German Hostage Reportedly 'Traumatized'

LD1601100096 Melbourne Radio Australia in English 0800 GMT 16 Jan 96

[FBIS Transcribed Text] Indonesia's Armed Forces commander says the military will not bow to terror and negotiate with separatist rebels holding 14 hostages in the province of Irian Jaya. The hostages, who include six foreigners, were abducted eight days ago by members of the Free Papua Movement, the OPM. Speaking after a meeting with President Suharto, General Feisal Tanjung said the military wanted to see the hostages released unharmed but was not prepared to negotiate with their abductors.

Yesterday the rebels released one of the hostages, Frank Momberg of Germany, on condition that he return to captivity after publicizing the rebels' cause on television. A military spokesman said Momberg was traumatized after being underfed for days and was being treated for shock. He said it was unclear when Momberg would be returned to his captors.

Military To 'Do Its Best' To Free Hostages

BK1601052396 Jakarta Radio Republik Indonesia Network in Indonesian 0500 GMT 16 Jan 96

[FBIS Translated Text] ABRI [Armed Forces of the Republic of Indonesia] will not negotiate with GPK-OPM [Free Papua Organization, Security Disturbance Movement] members who have taken hostage several Indonesian nationals and foreigners in Irian Jaya. ABRI Commander General Feisal Tanjung said this to reporters at the Bina Graha presidential office a few moments ago after he accompanied General [Ismail Hashis Taraqjai], commander of the Turkish Armed Forces, to pay a courtesy call on President Suharto. Gen. Feisal Tanjung stressed that ABRI will not negotiate with the Irian Jaya GPK and will do its best to free the hostages.

Paper Applauds Military Effort With Hostages

BK1501075096 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 15 Jan 96

[From the press review]

[FBIS Translated Text] MEDIA INDONESIA applauds ABRI's [Armed Forces of the Republic of Indonesia] success in freeing some of the people taken hostage by GPK [security disturbance movement] members in Irian Jaya without bloodshed. It expresses the hope that the 15 remaining hostages will be freed soon. This daily says ABRI seems to have realized that the abduction case — involving seven foreigners — has attracted international attention. An early and comprehensive settlement to the incident is therefore needed.

Besides hoping that the case will find an early settlement, MEDIA INDONESIA calls on the government to pay adequate attention to the main causes of the incident. If we do a thorough study, we will find that the GPK in Irian Jaya is not caused by separatism, but because local people feel they are not given a chance to take part in development programs. MEDIA INDONESIA calls on the government to learn from previous leaders' success in persuading rebels to return to the fatherland's fold.

Editorials View Hostage Crisis in Irian Jaya

BK1501074696

[FBIS Editorial Report] Two Indonesian-language Jakarta dailies carry editorials on 15 January on the kidnapping of several Indonesians and foreigners by the Free Papua Movement, or OPM, in Irian Jaya.

KOMPAS carries an 800-word editorial on page 4 entitled: "We Believe the Hostages in Irian Jaya Will Be Released Immediately." It notes that nine of the 24 hostages abducted by the OPM were freed on Saturday, 13 January. Three Britons, two Netherlanders, and one German are among the remaining hostages. The editorial notes: "The presence of foreign hostages has made the case more complicated."

It adds: "International attention is the objective of the kidnappers. The OPM, which is a security disturbance movement, no longer draws any intention. While we have occasionally heard of and seen unpleasant incidents in Irian Jaya, these incidents have nothing to do with the OPM; they are not associated with its existence and aspirations."

The daily says such incidents have happened in other provinces and attributes the incidents in Irian Jaya to the province's backward status, which has nothing to do with separatism.

Regarding the efforts to secure the release of the remaining hostages, the daily stresses: "What must we do? The main priority is to free the hostages as soon as possible. ABRI [Armed Forces of the Republic of Indonesia] took immediate steps. Its forces successfully freed nine hostages in an operation. The nine freed hostages were all Indonesians; the foreign hostages have not been released. Thus, the world is still monitoring the case closely."

While expressing faith in ABRI's ability to launch an operation to free the remaining hostages, the daily notes Irian Jaya's difficult terrain: "The hostages must be safely released. Correct calculations and actions are indispensable."

KOMPAS draws similarities between Irian Jaya and East Timor, saying that compared with other provinces, Irian Jaya and East Timor are backward. The government is making efforts to put the two provinces on par with the rest of the country socially and economically. Under the draft 1996-97 state budget, more funds have been allocated for development projects in the two provinces.

KOMPAS concludes: "The projects, funds, and aid deliberately reflect the government's attention. The attention should be far- reaching. Experience shows that the provinces need not only economic development, but also a cultural approach so they will be treated as an integral part of the nation and allowed to develop their own cultures. The approach is important and crucial for the development of regions in the eastern part of Indonesia. The urgent need, however, is to save the hostages the OPM is using as pawns to draw international attention."

REPUBLIKA carries a 500-word editorial on page 6 entitled: "The Kidnapping Case in Irian Jaya." It notes the kidnapping of 24 Indonesians and foreigners and the earlier abduction of two Indonesian students in Irian Jaya. The kidnappers are believed to be members of the OPM.

REPUBLIKA says: "We believe that ABRI will be able to settle the case just as it has settled such cases in various other places. ABRI reacted quickly by sending a special force there. With this step, we hope the case will be handled well and all the hostages will be saved.

"A precise military operation is indispensable. Although excessive action could settle the hostage drama more rapidly, such action would cause heavy casualties and lead to more dangerous problems in the long term.

"Another thing worthy of attention in the wake of the incident is the central government's policy toward the development of Irian Jaya. Undeniably, the province has contributed greatly to the development of the Republic of Indonesia since becoming part of the unitary nation. Nevertheless, Jakarta's attention to Irian Jaya is much less than that to East Timor, which has frequently created problems for all of us. It is time for us to reformulate the development policy in Irian Jaya on the basis of all aspects of local culture. Experts who know the local culture well must be involved in reformulating the policy to prevent possible social upheavals from degenerating into 'brutal incidents.'"

Philippines

Plot To Kill Ramos, Terror Activities Revealed

BK1201121096 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 0945 GMT 12 Jan 96

[Passages in italics published in English]

[FBIS Translated Text] Our news program was able to have an exclusive interview with a deep penetration agent who was a member of a group planning to kill President Ramos.

The group has been based in the Philippines for a long time because it is easy to bribe personnel from the Bureau of Customs and Commission on Immigration. Here is the exclusive interview with Maki Pulido. Maki, come in:

[Begin recording] [Pulido] (Javit Ali) is a known international terrorist for the past 21 years. Ali was recruited by Hezbul Dawah, a London-based terrorist group, when he was only 19 years old. Ali is an expert in bombing and killing high-ranking officials. [end recording]

In an exclusive interview, Ali said he stopped terrorist activities since he became a Catholic in 1985.

[Begin Recording] [Ali] *I don't like to kill, I don't like to bomb because I have my family, I have my children, and that's why I decided to go to the police.*

[Pulido] Ali has been a police agent for the past two years. As a deep penetration agent, he was able to supply secret information to the police that helped in the arrests of the terrorists last year.

[Ali] *All this information I get, I relay to police officers. But still we're not finished. We still have other operations.*

[Pulido] Ali and 18 more members of Hezbul Dawah arrived here in 1982 to establish a base in Manila. They chose Manila because it is easy to bribe customs and immigration officials.

[Ali] *Actually here in the Philippines, we use as a safe house because it's easy to deal with the immigration and customs. We can fly anytime, we can arrive anytime. And this is the procedure of the international terrorists.*

[Pulido] The Hezbul Dawah terrorist group is a group of 200,000 people who are paid to kill and sow violence in any country around the world. Their plan did not go through in the Philippines because they were apprehended before they were able to carry out their plan to kill President Ramos and bomb the Pandacan depot. [end recording]

Suspected International Terrorists Identified

BK1501093896 Manila PHILIPPINE DAILY INQUIRER in English 11 Jan 96 p 16

[Report by Raymond Burgos]

[FBIS Transcribed Text] International terrorists are believed to be holed up in Ermita, Manila, a favorite tourist spot, and biding their time until they could carry out terror strikes.

The terrorists are believed to be using several business establishments in the area to carry out clandestine meetings and stockpile logistics for their terror campaign, according to intelligence reports.

The suspects, mostly from the Middle East, are believed to be affiliated with the Hezbul Dawah Al Islamiah (Islamic Preaching Group), a radical Islamic fundamentalist organization.

President Ramos had earlier ordered an intensified campaign against foreign extremists after receiving reports that international terrorists were out to turn the Philippines into an international base.

A report prepared by the PNP [Philippine National Police] Intelligence Command [IC] said key leaders of the Hezbul Dawah Al Islamiah are operating restaurants, travel agencies, recruitment and manpower agencies, and lodging houses in Ermita.

Among the establishments being closely monitored are the Al-Tanor Restaurant and the Mindanao Meat Shop and Restaurant, both located along M.H. del Pilar Street.

According to the PNP-IC report, the Al-Tanor Restaurant is owned by Mustafa Abu Zainab, the recognized leader of the Hezbul Dawah in the Far East.

The Mindanao Meat Shop and Restaurant, on the other hand, is owned by Adel Annon, a twin brother of Ramzi Ahmad Yusuf and one of the nine suspected members of Hezbul Dawah arrested by Manila policemen in simultaneous raids last Dec. 28.

The Hezbul Dawah, sometimes loosely referred to as the "Ali Movement," has existing cells in the

United Kingdom, Pakistan, Australia, New Zealand, Iraq, Lebanon and in countries with a sizable number of Iraqi nationals and refugees.

Records show that Abu Zainab, along with fellow Iraqi Abu Shimma, organized the Hezbul Dawah branch in the Philippines in 1992.

Abu Zainab, according to reports gathered by the IC's Special Investigation Group, is involved in the plot to conduct assassinations in Metro Manila. Among those targeted are the ambassadors to the Philippines of New Zealand, Australia, Great Britain, and Spain.

Reports said Abu Zainab will be assisted in the supervision of the terror plot by a certain Husayn Adel Al-Talhi, one of the identified leaders of the Bojinka plot, which was hatched by the group of Ramzi Ahmad Yusuf.

The same reports said Husayn Adel Al-Talhi is the brother of Abdul Rahim Al-Talhi, a Saudi national who, based on PNP-IC files, was a principal player in the bombing of the San Pedro Cathedral in Davao City on Dec. 23, 1993.

Police sources had earlier revealed that a five-man team of the Hezbul Dawah was assigned to carry out the assassination plot.

They identified the leader of the five-man terror team as Bashar Habib, an Iraqi and an explosives expert who trained in Libya and London.

Thailand

Minister on Nuclear Treaty, Ex-MP's Extradition

BK1501034696 Bangkok BUSINESS DAY in English 15 Jan 96 p 2

[Unattributed report]

[FBIS Transcribed Text] The world's five nuclear superpowers have to be urged to sign the protocol supporting the South East Asian Nuclear Weapon Free Zone (SEANWEFZ) Treaty and so give it the stamp of authority, M.R. [Mom Ratchawong — royal title] Kasemsamoson Kasemsi, Foreign Affairs Minister, said over the weekend.

The treaty was signed on December 15 last year by all seven members of the Association of Southeast Asian Nations (ASEAN) and three prospective members, Laos, Cambodia and Myanmar [Burma]. This was considered a positive contribution to global nuclear nonproliferation. But the protocol needs also to be signed by the superpowers to make it effective.

The big five are the United States, the United Kingdom, France, China Russia.

So far the five nations have not made any substantive response to requests to support the nuclar treaty M.R. Kasemsamoson yesterday met Winston Lord, US assistant secretary of State for East Asia and the Pific, who mahis first stop in Bangkok as part of a two-week working trip through the Asia-Pacific region. Mr. Lord flew on to Cambodia yesterday.

The minister said he discussed with Mr. Lord the US reluctance to support the ASEAN non-nuclear treaty.

At a press conference following the meeting, Mr. Lord said the US and the four other nlear nations think that sparts of the treaty have to be revised.

However, the US supports the idea of making the Southeast Asia a nuclear free region, said Mr. Lord.

Asked about the refusal of the Myanmar government to extradite drug warlord, Khun Sa, to stand trial in the US, Mr. Lord said the stance of Myanmar opposed not only the wishes of the US but of the whole world.

If Yangon [Rangoon] fails to hand over Khun Sa to the US, the relationship between the two countries will only worsen, he said.

Khun Sa and his Mong Tai Army surrendered to Myanmar forces during the New Year festival. The US then pressured for extradition of Khun Sa to the US but Myanmar argued that there is no extradition treaty between the two countries.

The US has a $2 million reward out for information leading to the arrest and conviction of Khun Sa. He was indicted in the US on 10 counts, including conspiracy to traffic drugs to the US.

Commenting on a similar case, M.R. Kasemsamoson said the ruling of the Appeals Court to extradite Mr. Thanong Siriprichaphong has established a precedent for future cases.

Mr. Thanong, former Chat Thai MP for Nakhon Phanom, was accused by Washington of exporting marijuana to the US and his extradition sought.

The Criminal Court last year found in favor of the US government and the Appeals Court on December 26 upheld the Criminal Court's ruling.

However, Mr. Thanong has appealed to the Supreme Court, disputing the authority of the two lower courts on the grounds that they were not empowered to try him on extradition charges.

Thanong's Court Petition Impedes Extradition

BK1101032396 Bangkok THE NATION in English 11 Jan 96 p A2

[Unattributed Report]

[FBIS Transcribed Text] A criminal Court judge warned yesterday that former MP Thanong Siriprichaphong's petition for a Supreme Court ruling on his extradition to the United States could delay matters until the order expires.

"It will be a never-ending story, but I don't want to say whether it is an attempt to buy time or not," Senior Judge Samakkhi Manirat said.

"The courts will have to take certain measures over this issue. We need to make it clear that the Appeal Court's ruling should be considered final, both over the facts and the technicalities."

Samakkhi made the original order, which included the condition that the extradition should be completed within three months or it would lapse.

He said he would meet with other chief justices and their deputies from all three courts to work out how to prevent further delaying tactics by Thanong's lawyers.

The US government has requested Thanong's extradition to face charges filed in a California court relating to his alleged smuggling of more than 45 tonnes of marijuana into the United States between 1977 and 1987.

The Appeals Court last month upheld the Criminal Court's order for his extradition.

But Thanong on Tuesday cited legal technicalities in his bid to get the Supreme Court to overturn the verdict of the two lower courts, claiming they did not have the authority to try his case.

Under the law, the Appeals Court ruling which upheld the decision of the lower court is considered final, so Thanong's lawyers sought instead to question legal technicalities instead of the actual ruling.

A petition seeking a Supreme Court decision would normally be submitted to the lower court which heard the case. The lower court would then decide whether the petition should be passed on to the Supreme Court, or rejected.

Samakkhi admitted that Thanong's lawyers could challenge the lower court's decision to reject the appeal within 15 days by asking the Supreme Court, directly this time, to decide whether the decision was reasonable or not.

Meanwhile, about 400 people from Nakhon Phanom rallied outside Government House yesterday urging the government not to allow Thanong's extradition.

The protesters, led by former Nakhon Phanom MP Sawaeng Thawatchum, said Thanong Siriprichaphong, a former Chat Thai Party MP, should face legal action in Thailand, and not in the US.

Ex-MP's Lawyers To Protest Rejection of Petition

BK1201043296 Bangkok THE NATION in English 12 Jan 96 p A2

[Report by Ophat Bunlom]

[FBIS Transcribed Text] Lawyers for Thanong Siriprichaphong will today go directly to the Supreme Court to protest the Criminal Court's rejection of their petition to challenge the former MP's extradition to the United States.

Denying that his team was simply trying to buy time with the petition, Prachum Thongmi said Thanong was merely exercising a suspect's right to fair treatment.

The Criminal Court on Wednesday [10 January] ordered the rejection of Thanong's petition seeking the Supreme Court's ruling against his extradition on the grounds that the court had no authority to try the case.

Senior Judge Samakkhi Manirat, who delivered the verdict on Wednesday, expected that Thanong's lawyers would go directly to the Supreme Court to ask it to consider whether the rejection was justified or not.

Because the Appeal Court agreed with the Criminal Court's ruling to extradite Thanong to face drug charges in California, the ruling cannot be further challenged in the Supreme Court.

Thanong's lawyers instead want to ask the Supreme Court to consider technicalities in the case.

A petition seeking a Supreme Court decision would normally be submitted to the lower court which heard the case. The lower court would then decide whether it should be passed on to the Supreme Court, or rejected.

If rejected, the side which submits the petition could go directly to the Supreme Court to contest the lower court's decision.

Prachum said Thanong had the right to file the petition because the Criminal and Appeal courts had not followed proper trial procedures, leading to the technicality problems.

"We are not making a petition against the ruling on the facts of the case. We're asking for consideration on the grounds of technicalities," Prachum said.

On Wednesday, Samakkhi said he would consult chief justices and deputies of all the three courts to counter the delaying tactics once and for all.

The Appeal Court ruled last month that Thanong be extradited within three months or released from custody.

Official on Extradition of Thanong to U.S.

BK1301101596 Bangkok THAILAND TIMES in English 13 Jan 96 p A 1

[Unattributed Report]

[FBIS Transcribed Text] Bangkok — A senior judicial official yesterday the Appeals Courts' order to extradite former Chart Thai MP Thanong Siriprichaphong was not contradictory to the Constitution as claimed by Thanong's lawyer.

Thanong's lawyer Prachum Thongmi yesterday appealed to the Supreme Court, claiming the Appeals Court's verdict to extradite his client Thanong to the U.S. contradicts with the Constitution.

Charan Phakdithanakun, the secretary-general of the Office of Juridical Work Promotion, accepted the petition from Prachum, saying Thanong has the right to lodge his petition to the Supreme Court.

"However, the petition is unlikely to yield any results for Thanong because the verdict of the Appeals Court was final," Charan said. "The Constitution does not prohibit to extradite Thai nationals to face charge in foreign countries and the extradition of Thanong will be carried out in line with the extradition treaty Thailand has made with the US."

Coordination for Thanong's Extradition Sought

BK1401134396 Bangkok XIN ZHONG YUAN RIBAO in Chinese 13 Jan 96 p 16

[FBIS Translated Excerpt] Police Department Director General Police General Phot Bunyachinda said that the Police Department was coordinating with the Foreign Ministry for the extradition of Former Nakhon Phanom MP Thanong Siriprichaphong to face drug charges in the United States. The Court has ruled for the extradition of Thanong as requested by the United States. The Police Department has received the report on the ruling and has sought coordination from the Foreign Ministry to ask the United States to take Thanong within three months. So far there still has been no progress. [passage omitted]

Minister Comments on U.S. Request on Khun Sa

BK1601042396 Bangkok BANGKOK POST in English 16 Jan 96 p 6

[Unattributed report]

[FBIS Transcribed Text] Thailand has declined Washington's request to help persuade Burma to extradite drug warlord Khun Sa to stand trial in the United States, Foreign Minister M.R. [Mom Ratchawong — royal title] Kasemsamoson Kasemsi said yesterday.

He said any legal action against Khun Sa would be done in accordance with Burmese laws.

M.R. Kasemsamoson said Winston Lord, US Assistant Secretary of State for East Asian and Pacific Affairs, had sought Thailand's cooperation on the matter during their meeting last Saturday.

An informed source said the minister had expressed his confidence that Khun Sa would retire peacefully in Burma.

The drug warlord's headquarters at Ho Mong were taken by Burmese soldiers recently, without a bullet fired.

The United States has offered a $2 million reward for information leading to the arrest of Khun Sa, who was indicted in the United States in 1989.

The Burmese government has already made clear there is no extradition treaty between Burma and the United States.

It was reported earlier that the United States regarded a 1948 agreement it made with the then U Nu government as the legal foundation

However, M.R. Kasemsamoson said he did not think the document was in still effect.

'Latest' Thai-Burma Border Developments Viewed

BK1201141296 Bangkok THAN SETTHAKIT in Thai 13-16 Jan 96 p 11

[Unattributed Report]

[FBIS Translated Text] Speaking to THAN SETTHAKIT about latest developments along the Thai-Burmese border, a source in the Thai-Burmese coordination office in Mae Hong Son Province disclosed that Brigade General Tin Thun, commander of Burma's Eastern Military Command, on 7 January went to Ho Mong to meet with Khun Sa and to attend the disarmament ceremony of Khun Sa's MTA (Muang Tai Army) troops. A total of 1,005 firearms were handed over to the Burmese Government including 15 sets of artillery pieces and a 105-mm mortar. The amount of weapons and ammunition turned over to Rangoon during the ceremony was equivalent to one-third of the total ordnance of the MTA scattered in different places in the Shan State and which will be handed to Burma later. In addition, some 1,500 MTA soldiers at the Ho Mong stronghold were also transferred to the Burmese armed forces.

The source disclosed that Brigade General Tin Thun had agreed to give 50,000 bags of rice to Khun Sa to feed his people. More importantly, Burma will send an envoy to negotiate with the Thai Government on the reopening of border crossing points at Huai Phung village in Muang District and Mae Lan village in Pang Mapha Subdistrict and Mae Sai District of Chiang Rai Province. This is to pave the way for the resumption of border trade. Khun Sa himself would be appointed by the Burmese Government to oversee trade and to collect import and export taxes for Burma, since the areas were formerly under his control.

Worachai Uttamachai, chief officer of Mae Ai District in Chiang Mai Province, said the tension along the Thai-Burmese border had no impact on tourism in his area. Foreign tourists still come to the district for jungle trekking and rafting along the Kok River as normal. The district is currently earning 300,000 to 400,000 baht from tourism daily. Thaton River View Resort which is located near the Burmese troop stronghold is still fully occupied by tourists. Local people are picking tea leaves on hundreds of rai of tea plantations in the disputed border area as if nothing had happened inside Burma.

Meanwhile, sources in the Thai-Burmese coordination offices in Mae Sai and Mae Sot Districts of Chiang Rai and Tak Provinces respectively said the current situation inside Burma had no repercussions on border trade in the two districts. The presence of Burmese troops near the Thai border was merely aimed at putting pressure on the Thai Government to ensure that certain conditions set by the Burmese side would be accepted by the Thai side. For examples, the Thai side has already agreed to demolish 140 shops built along the Moei River in Mae Sot District and use the border trade agreement drafted by Burma. It is anticipated that Burma would later come up with more conditions because it is aware that the Thai side detests violence and wants to have peace so that Thai entrepreneurs can invest and do business inside Burma. It is likely that Thailand will yield to whatever Burma demands.

Khun Sa Explains Reasons for Surrender

BK1301102196 Bangkok THAILAND TIMES in English 13 Jan 96 p A 1

[Unattributed Report]

[FBIS Transcribed Text] Chiang Mai — Muang Tai Army (MTA) leader Khun Sa has explained the reasons behind his decision to surrender to the Burmese military to estranged Shan leaders, a close aide of Khun Sa's said yesterday.

"It broke my heart when MTA soldiers' families lost fathers and sons in the war. If the MTA had carried on fighting against the Burmese government it would have continued to lose lives," said Khun Sa, in a hand-written letter sent to breakaway Shan leaders.

Khun Sa sent the letter to breakaway MTA leaders, including Maj Karnyord, Maj Sua Jum, and Pong Tewing, on Wednesday, and expressed regret at his decision to hand over arms.

In the letter he said that negotiating to establish a ceasefire was the best solution to the decade-long war. He added, however, that it would be up to the Shan people to decide whether what he has done is right or wrong.

Many ethnic Shan soldiers disagreed with Khun Sa's decision to allow the Burmese military to occupy the MTA headquarters at Ho Mong, in Shan State.

A number of Shan soldiers mutinied and formed new nationalist groups before the State Law and Order Restoration Council (SLORC) took control of Ho Mong.

A close aide to Khun Sa said the leader was sleepless all night before the final decision on the arms hand-over was made.

"Khun Sa knew that he would be seen as a traitor to the Shan people if he held negotiations with the Burmese government," the source said.

Meanwhile, Deputy Army Commander-in-Chief Bandit Malai-arisun said the situation at the controversial Doi Lang area on the Thai- Burmese border, where both Thai and Burmese soldiers are stationed, is under control.

"The Thai and Burmese soldiers play rattan ball together every evening. I'm not joking. They have nothing to do in the evening. Many hungry Burmese soldiers are living on provisions given to them by the Thai side," Gen Bandit said.

The controversial Doi Lang area in the Mae Ai district of Chiang Mai is claimed by both Thailand and Burma. Sovereignty of the area is poorly defined since the two countries have different maps of the border.

The SLORC sent its troops to Doi Lang on December 29 to attack the MTA, lead by Khun Sa, who had a secret agreement with the SLORC to withdraw his troops from their outpost at Doi Lang, in return for an amnesty.

The Burmese government withdrew most of its troops last Thursday to avoid confrontations with Thai forces deployed to the area in the wake of the Burmese troops' presence.

However, about 200-300 Burmese border patrol officers have remained in the area.

In another development at the Thai-Burmese border in Mae Hong Son, two Burmese soldiers, belong to the 218th battalion, were arrested by Thai border patrols after entering Thailand in search of food.

About 20 Burmese government troops entered Thai territory via Ban Nam Phiang Din in Mae Hong Son's Muang district after reportedly ran out of rations.

Thai officials said the two captured soldiers would be released when they were identified as soldiers of the Burmese army as they claimed.

The Burmese troops are reportedly facing problem of supply shortage after the Karenni National Progressive Party (KNPP) guerrillas intensified several attacks against the Burmese reinforcement vehicles.

Karenni Units Recapture Hill From Burmese

BK1101041196 Bangkok BANGKOK POST in English 11 Jan 96 p 3

[Unattributed Report]

[FBIS Transcribed Text] Burmese troops continued their offensive against ethnic Karenni rebels yesterday, but a force of 400 guerrillas recaptured and held out at a stronghold they called "Rambo Hill."

About 1,600 Burmese soldiers shelled Karenni positions as the Rangoon government sought to crush one of the last groups blocking its effort to control all of Burma.

The Burmese military stepped up its campaign against the Karenni after imposing a peace settlement on opium warlord Khun Sa and his ethnic Shan army, which controlled an area immediately north of the Karenni enclave. The Karenni, like the Shan, have waged a decades-long struggle for independence from Rangoon.

"The Burmese propaganda says there's no fighting in Burma," said Abel Tweed, foreign relations officer for the Karenni National Progressive Party.

"But there is no peace in Burma. We can hear the mortars and machineguns."

Tweed spoke by telephone from his office-in-exile in Mae Hong Son, 25 kilometres southwest of the Karenni base lying just across the Thai-Burmese border.

Burmese troops have used 120mm artillery and mortars to capture three of the area's strategically important hills since they launched their attack late on Monday. But after a five-hour battle, Karenni guerrillas retook the tallest peak, dubbed Rambo Hill, after the one-man army popularised by Hollywood actor Sylvester Stallone.

Burmese reinforcements were arriving to help in the assault, Tweed said.

Burmese commanders, he said, "have been instructed to finish us all off -- to kill and capture as many as they can."

A senior Thai border police officer said the region's rugged terrain favoured the defenders. The officer said his men were preparing to evacuate Thai civilians from the area if fighting spilt across the border. Eight mortar shells have landed on Thai soil, police said.

More than 1,500 Karenni refugees have crossed the border into Thailand since the assault began.

In Chiang Rai, the local security chief said yesterday that measures were in place to cope with Burmese-Karenni clashes.

The border remained tense, but the clashes were unlikely to spill across the border, said Col Chusak Anuchonphan, commander of Chiang Rai's internal security operations office.

Air Force Confirms Need for U.S.-Made F-18's

BK1201051396 Bangkok THAILAND TIMES in English 12 Jan 96 p A1

[Unattributed report]

[FBIS Transcribed Text] Bangkok — The Royal Thai Air Force (RTAF) has reconfirmed its need for US-made F-18 jet fighters to the Supreme Command Headquarters after the US agreed to sell eight F/A- 18 jet fighters equipped with sophisticated AIM-120 Medium Range Air-to-Air Missiles (AMRAAM), intelligence sources reported yesterday.

Once the Supreme Command Headquarters has approved the purchase, it will forward the proposal to the Defense Ministry. The last step in the process is Cabinet approval, the source said.

The RTAF late last year contacted the US through the Joint US Military Advisory Group (JUSMAG) in Bangkok, and asked to purchase eight F/A-18 jet fighters, on condition that the US equipped them with AMRAAM.

The RTAF has threatened that if the US refused to sell the jets and weapons, it would buy either French-made Mirage 2000-5s or Russian-made SU-35s instead.

It was widely rumored that the US was initially reluctant to sell the high-tech missiles to Thailand because of concerns about arms race in the Asia-Pacific region, and the fear that other countries would force the US to sell the missiles to them.

An international news agency, quoting Defense News, reported on Thursday that the US had agreed to sell eight F/A-18 jet fighters, eight AIM-120 AMRAAM missiles and four training AMRAAMs, as part of a US$500 million package.

A high-level official at the US Embassy in Bangkok said the US is pleased to sell the jet fighters to the RTAF.

"We are aware of Thailand's interest in acquiring advanced fighter aircraft, and have discussed various options designed to meet Thailand's stated requirements. This discussion is on-going.

"The RTAF has expressed a strong interest in buying the F/A-18s but has not formally contracted to buy the airplane," he said.

"We are committed to supporting Thailand's defense needs within the context of our own non-proliferation and arms transfer policies," he added.

"We'll continue to work with our Thai allies to determine which missile system best meets Thailand's self-defense requirements," he concluded.

The RTAF now reportedly have 79 jet fighters. These include 36 F-16 A/Bs, 35 F-5 E/Fs, and 8 F-5 A/Bs. If the RTAF is successful in buying the eight F/A-18s, the total will increase to 87 jets.

The RTAF planned to buy 16 F/A-18s, with funds allotted in advance for 1996-2000, but could buy only eight jets, at a cost of 12,500 million baht.

The AIM-120 AMRAAM missiles are only used in four countries, namely the US, Germany, Sweden and the Netherlands.

The missiles were used in the Gulf War and successfully shot down an Iraqi MiG-23 and MiG-29.

A Serbian G-4 jet was also shot down by this type of missile in Bosnia.

Pilot Killed in Jet Crash, Cause Unknown

BK0801161196 Bangkok Thai Color Television Channel 9 in Thai 1200 GMT 8 Jan 96

[FBIS Translated Text] An F-5E jet fighter of the Royal Thai Air Force crashed into the sea, and the pilot died.

Squadron 7114 of the Royal Thai Air Force, which consisted of F-5E jet aircraft attached to Wing 71, was heading from Surat Thani Province to Nakhon Ratchasima Province today. When the planes approached the island of Kholam in Sam Roi Yot District, Prachuap Khirikhan Province, the Bo Fai aviation tower received a message from a pilot requesting to abandon his aircraft because he was unable to maneuver it. The pilot then tried to eject from the plane. Fishermen nearby rushed to the scene to attempt a rescue, but Squadron Leader Wirat na Lamphun was trapped in the aircraft and drowned. The cause of the crash is unknown. The Air Force will salvage the wreckage tomorrow.

Vietnam

Communique: National Assembly To Meet in Mar

BK1301114096 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 11 Jan 96

[FBIS Translated Text] The National Assembly Standing Committee issues a communique as follows:

During 3-9 January 1996, the National Assembly Standing Committee held a meeting in Hanoi under the chairmanship of National Assembly Chairman Nong Duc Manh. Attending the session was Vice President Nguyen Thi Binh.

The National Assembly Standing Committee passed the ordinance on the militia self-defense force, a document that aims to develop the fine traditions of the militia self-defense force, an important part of the people's armed forces in the revolution to liberate the country in the past as well as in the present undertaking of the consolidation of national defense, economic development, and protection of the socialist fatherland.

The ordinance defines the responsibilities of all people, state agencies from central to local levels, and economic and politico-social organizations in the organization and development of the militia self-defense force. It also determines the principles and direction for the organization, structure, activities, and other policies of the force. The National Assembly Standing Committee requests that National Assembly agencies, National Assembly deputies, the government, the Ministry of National Defense, and agencies concerned have concrete measures for broad dissemination to people of all walks of life on the significance and importance of this ordinance, and to bring the ordinance into real life for the cause of the country's renovation.

The National Assembly Standing Committee discussed and gave its opinions on various projects:

— A law on cooperatives;
— A law on the amendment of and supplement to the law on the organization of the people's organ of control;
— A law on ethnicities;
— An ordinance on the procedures of administrative prosecution;
— Ordinances on the supervision and guidance roles of the National Assembly Standing Committee; guidance and inspection roles of the government to people's councils; and a statute for the organization and functioning of people's councils at all levels.

The National Assembly Standing Committee requests the drafting and investigating agencies to urgently coordinate efforts in updating the aforementioned draft laws, ordinances, and statutes, so that they be submitted to the National Assembly Standing Committee, and the National Assembly for approval.

The National Assembly Standing Committee gave its opinions about the agenda for the ninth session of the Ninth National Assembly, and decided to convene the session in the first week of March, 1996. The National Assembly Standing Committee requests the National Assembly agencies, government agencies, and other agencies concerned to prepare their reports, submissions, and draft laws ahead of time so that they can be forwarded to the National Assembly deputies before the deputies start the session. The agencies concerned are also encouraged to step up their efforts in other preparatory tasks so that the session will be a success.

The National Assembly Standing Committee passed the 1996 work program of the National Assembly Standing Committee, the major theme of which is the committee's contribution to the implementation of the National Assembly's resolutions passed by the recent National Assembly's eighth session. The program stresses the consolidation of the guidance for the law making program from now until the end of term of the Ninth National Assembly; the expansion of inspection work on the implementation and enforcement of recently-promulgated laws and ordinances, especially the preparation for the necessary conditions for the implementation of the Civil Code; the inspection on the enforcement of land laws, labor laws, and national budget allocation; and the inspection of the activities of law enforcement agencies.

The National Assembly Standing Committee heard the report on the results of the official friendship visit to Japan by a National Assembly delegation led by National Assembly Chairman Nong Duc Manh during 10-17 December 1995. The National Assembly Standing Committee welcomed and highly regarded the fine results of the visit, which contributes significantly to the further development of the friendly relations and multifaceted cooperation between the peoples and national assemblies of Vietnam and Japan.

On the suggestion of the Vietnam Fatherland Front's Presidium, the National Assembly Standing Committee ratified the list of people's jurors for the Supreme People's Court for the office term of 1996-2000.

Party Congress Documents Summarized, Pt 2

BK0901014596 Hanoi NHAN DAN in Vietnamese 12 Dec 95 p 3

[Second part of unattributed article: "Regarding Party Congresses at All Levels"]

[FBIS Translated Text] 4. The election of party organization executive committees.

a. Standards.

The choice of personnel for an executive committee must be based on the quality standards of the cadres concerned in accordance with the following stipulations of the Seventh Party Central Committee's third plenum resolution:

— Be firm in one's political stance, persistent in one's ideals, goals, and the socialist path, and be determined to successfully carry out the renovation process.

— Be knowledgeable and able to participate in various decisions made by the collective, and be capable of organizing actual activities and working effectively.

— Uphold revolutionary ethics, be industrious and thrifty and be known for one's integrity, righteousness, public dedication, and disinterestedness, and one's determination to struggle to defend the party's viewpoints and policy lines.

— Have a sense of organizational discipline and a desire to maintain unity within the party.

— Associate oneself with the masses and be trusted by them.

Under the current situation, the following standards for party committee members must be observed:

— Political qualities: Be firm and persistent in one's goals and the socialist path; be loyal to the party, Marxism-Leninism, and Ho Chi Minh thought; and be known for scrupulous observance of the principle of democratic centralism.

— Have good ethical conduct and a clean and honest way of life; have no desire for personal gain and no inclination for departmentalism and individualism; be not opportunist nor corrupt, and be determined to fight corruption.

b. Age groups.

The executive committee must be made up of people belonging to three age groups if we are to ensure the character of succession and development. It is now a general goal to rejuvenate the contingent of party committee members and lower the average age for them.

c. The number of party committee members.

The number of members of a party executive committee belonging to a province or city under the direct jurisdiction of the central authority must not exceed 47 comrades, with the number for Hanoi and Ho Chi Minh City not to exceed 51 comrades each. The number of members of a province or city party standing committee must not exceed 13 comrades and those from Hanoi and Ho Chi Minh City must not exceed 15 comrades.

The number of members of a district or precinct party executive committee must not exceed 35 comrades and those from the party standing committee of each district and precinct must not exceed 11 comrades.

— In the selection of party committee members, standards must be regarded as the principal basis. We must integrate our structural factors rationally as a way to ensure the leadership of party organization executive committees concerned, especially in various vital fields of activity and areas of operation. It is not mandatory for every locality, office, or sector to have party committee members.

It is necessary to increase the number of female cadres, cadres with their origins as workers, and cadres from ethnic minority groups.

5. The election of delegates to attend higher-echelon party organization congresses.

a. The election of delegates to attend higher-echelon party organization congresses must be carried out in accordance with stipulations in the Party Statute and instructions given by higher echelons. Selected delegates must meet standards for being loyal to the party's ideal; must have firm political qualities with a clean, wholesome, and honest way of life, and have the capability to contribute views to various resolutions adopted by relevant party congresses.

b. The number of delegates set to attend the party organization congresses at various levels are as follows:

— Not more than 200 delegates for the party organization congress of the bloc of central agencies.

— Not more than 350 delegates for a province and city party organization congress; and not more than 400 each for Hanoi municipality and Ho Chi Minh City.

— Not more than 250 for a district or precinct party organization congress.

— Grass-roots party organizations, as a general rule, can organize congresses of party members. If a grass-roots party organization has a large number of party members (more than 150 comrades), but has difficulty holding such a congress of party members, it can hold a congress of party delegates. The number of delegates should be decided by the next-higher party committee.

In addition to the number of official delegates, each party organization can elect between one and three alternate delegates as replacements for the official delegates when the latter are unexpectedly absent during the period of a congress.

c. A party committee must base the number of party organizations, the number of party members, and the role of each lower-echelon party organization in deciding the number of delegates to be sent to attend party organization congress of its level.

d. Regarding guidance for personnel affairs of a party organization congress, Circular No.266-CV/TU of the party Central Committee Secretariat points out that all party committees must report to their higher echelons the information about the agenda of their congresses and the prospective members of their new party organization executive committees, especially those for the standing committees or for key local positions (such as secretary, deputy secretary, chairman of the people's council, and chairman of the people's committee) so that the higher echelons concerned can study this prior to the congresses.

Executive committees at all levels have the duty to give instructions on personnel selection based strictly on the steps and principles of collective leadership to meet the personnel selection criteria for party committee echelons. Circular 09-TT/TU also stresses the need to "make adequate preparations in terms of personnel and elect party members who meet the criteria and are worthy of joining party committee echelons and delegations to upper level congresses."

6. Time for organizing congresses.

— Party organization congresses of the bloc of agencies under the management of the party Central Committee will not exceed three days; provincial or city level party organization congresses will not exceed four days.

— District or precinct party organization congresses will not exceed three days.

— Grass-roots party organization congresses will not exceed two days and must be completed before the district or precinct party organization congresses...

7. Party organization congresses at all levels will take place in one round and start from the lower levels upward.

III. Organization of Implementation

1. Party committees at all levels must organize emulation drives to welcome the Eighth National Delegates Party Congress and party organization congresses at all levels along with the party's 3 February anniversary celebrations to encourage everyone to learn from the party's traditions and strive to implement the state plan satisfactorily. They must also closely link these activities with the tasks of renovating and revamping the party and implementing party Central Committee Resolution 8 on the need for continued efforts to build and perfect the state of the Socialist Republic of Vietnam with the focus on the administrative reform program.

2. Party committee echelons must make direct preparations for personnel to join the executive committees. Steps must be taken to set up personnel subcommittees to help party committee echelons with congress preparations. It is necessary for party committees at all levels to direct the restructuring of the mechanism a step further and take positive steps to adjust cadre assignment based on the need for personnel to take charge of congress preparations.

With regard to cases involving the absence of internal unity and letters of denunciation against committee members, party committee echelons must direct everyone in reviewing the strong points and shortcomings and must take serious action depending on the seriousness of the wrongdoings before conducting the congresses.

In further clarifying cases involving "the absence of internal unity," Correspondence No. 266 CV/TU points out: With regard to committee echelons that experience difficulties, lack internal unity, or display cases of negativism... efforts must be made to make evaluation reports and practice self-criticism and inform upper level committee echelons of the results of these activities. It is necessary for control committees and organizing committees to evaluate the situation and inform upper level committee echelons of the results of their evaluation reports so the latter can hold working sessions with those units before conducting the congresses.

With regard to the settlement of anonymous letters of denunciation, the Secretariat points out: "To help party members comply with the party organization guidelines and uphold their sense of responsibility and militancy, generally speaking, the party does not give consideration to anonymous letters of denunciation. With regard to letters of denunciation with concrete contents and examples, thorough investigations must be conducted according to the instructions of the party Central Committee Control Commission."

3. Party organization congresses at all levels must take place in a genuinely democratic, realistic, and economical setting. Care must be taken not to give way to formalism.

4. Once the congresses are over, party committee echelons must give urgent work assignments to executive committee members, work out operating procedures, and formulate plans to direct the implementation of the congress resolutions.

Circular No. 09-TT/TU reminds party committee echelons of the need to provide guidance to key areas and localities with difficult problems. It also stresses the necessity of focusing on the implementation of socioeconomic development projects, public security maintenance, and other tasks. Nobody should let the preparations for and organization of the congresses divert his/her attention from the implementation of local political tasks, especially on the occasion of the lunar new year.

5. The party Central Committee Organization Department will help with experimental projects and make recommendations for some comrade members of the party Central Committee to attend a number of grass-roots party organization congresses to draw experiences for general direction purposes.

Eighth National Party Congress Preparation Urged

BK0901133996 Hanoi TAP CHI CONG SAN in Vietnamese Issue No.17 in December 96 p 7

[Editorial: "Making Preparations To Ensure Fine Success for Eighth Party Congress"]

[FBIS Translated Text] Amid the urgency to step up production and other activities during the final months of 1995 to mark the 65th anniversary of the founding of the National United Front, comes new good news for our entire party, army, and people: The Seventh Party Central Committee's ninth plenum — a high-profile conference of specific significance — has concluded successfully. The plenum discussed and decided on various fundamental and important issues in documents to be presented by the party Central Committee at the coming Eighth National Party Congress. These fundamental ideas and viewpoints of the plenum are regarded as the basis or a guiding course of action for the entire party to satisfactory prepare for the party congresses at various levels, to pave the way for the national party congress and also to advance our country to a new era of development.

The Eighth Party Congress will be tasked with reviewing the implementation of the Seventh Party Congress resolution as well as the party's strategic platform and statute; reviewing renovation achievements over the past 10 years; setting forth guidelines and measures for national industrialization and modernization until the year 2000 and 2020; supplementing and amending the party statute; and electing a new party central committee. Therefore, the party congress will be of historic significance. It will mark the country's important transition to a new era — the era to step up the cause of national industrialization and modernization to achieve the goals of a prosperous people, a powerful country, and an equitable and civilized society.

Preparations to ensure the fine success for the Eighth Party Congress will be a very important task of our entire party. As Comrade General Secretary Do Muoi said at the closing session of the above party plenum: There will be many things to be done from now until the holding of the congress. Apart from the need to provide guidance for the successful organization and implementation of routine political tasks, the party committees at various levels are responsible for focusing their leadership on conducting party congresses at various levels satisfactorily, in accordance with Party Secretariat directive. They must be aware of the fundamental viewpoints, and apply the spirit, aims, and orientations of the party Central Committee's ninth plenum when preparing the political report to be presented at the party organization congress at their respective levels.

Meanwhile, they must satisfactorily organize the discussions and contribute their views on various draft documents to be presented at the Eighth Party Congress. Whether the congress is successful will depend mainly on the careful preparations and the successful conduct of the party congresses at the various levels. Before the party Central Committee's ninth plenum was held, many party committees, the Fatherland Front, scientific research agencies, experts, and veteran cadres contributed their views on various draft documents that will be presented at the Eighth Party Congress. The party plenum this time scrupulously examined and took note of many suggestions made to perfect various draft reports. In addition to the need to seek to understand various fundamental viewpoints and guidelines, the party congresses at various levels must continue to further discuss, supplement, and perfect these draft reports to help further enhance the scientific and revolutionary character of these Eighth Party Congress documents.

Along with holding discussions within the party, we must develop the intelligence of the entire people and must widely solicit practical views from the people of various strata on the draft documents of the Eighth Party Congress. We must, through the Fatherland Front and various mass organizations and social associations, do this satisfactorily. We must try to generate a truly open-minded, democratic atmosphere for political activities and make the preparations for the Eighth Party Congress not only a task of the party but also a personal concern of every person, if we are to turn the Eighth Party Congress into a true festival of the entire party and people.

The preparations for the party congresses at various levels and for the national party congress must be linked with realistic efforts to initiate a movement for revolutionary action among the people. This is in order to satisfactorily fulfill all the tasks for 1995 and to prepare for and to implement the 1996 socioeconomic development plan, which is a starting plan for the five-year 1996-2000 period. Various sectors, echelons, and units must organize and motivate their party cadres and members and the people to enthusiastically participate in various activities designed to welcome the Eighth Party Congress. Activities must be practical and effective if they are to help increase the confidence and enthusiasm of all people.

Each national party congress marks a step forward by the party in its political, theoretical, and organizational development, in its will to fight for the cause of the working class and of the nation, in its spirit of unity and unification, in its sense of organizational discipline among the entire party, and in its efforts to strengthen the close ties between the party and the people. The responsibility and the requirements of the Eighth Party Congress are very heavy and important. Our entire party, people, and army must strive to fulfill all socioeconomic tasks. They must develop to the fullest their spirit of mastery, contribute their wisdom, and make their best preparations to ensure the success of the Eighth National Party Congress.

State Inspection Report Views Cement 'Crisis'

962E0004A Hanoi HANOI MOI in Vietnamese
11 Sep 95 pp 1, 3

[Article by Vuong Thuc: "The April 1995 Cement Price 'Escalation' and the State Inspector General's Conclusion"]

[FBIS Translated Text] Editorial notes: *In April 1995, cement prices suddenly shot to vertiginous heights, causing a public uproar. Many newspapers have spoken up on this issue. On 19 May 1995, the prime minister* *of the government entrusted the State Inspector General with organizing an inspection team to find out the causes of the crisis and attribute responsibility. After a period of intensive and serious work, on 23 August Deputy State Inspector General Duong Ngoc Son issued Report No. 1027/BC on "the sudden increases in cement prices in some key units and areas." The main points of that report are hereby presented by HANOI MOI for the information of its readers .*

The Situation of Cement Production, Import, and Sale

In early 1995, the amount of cement needed for the whole year was estimated at 7.5 million tons. Therefore, the government directed that 6.14 million tons be produced domestically and that 1.2 million tons of black cement and 1 million tons of clinkers be imported. The Vietnam General Cement Corporation [VGCC] was to assume the task of producing 76.5% of the amount of high-quality cement needed and importing 31.6% of the amount of foreign cement required. Altogether, the corporation would be responsible for 69.2% of the amount of cement to be put on the market throughout the country.

During the first four months of 1995, VGCC produced almost 1.7 million tons of cement, overfulfilling the four-month production plan by 7.59% and exceeding the output of the corresponding period in 1994 by 68,425 tons. But in April 1995, when cement was in great demand, the Ha Tien 2, Hoang Thach, and Bim Son cement corporations failed to fulfill their production plans because their kilns had been shut down several hours for maintenance. As for the Vietnam Cement Export-Import Company (VINACIMEX), it also failed to fulfill the clinkers import plan, proving that management was lax in the cement industry.

Although the plans called for the import of 570,000 tons of black cement during the first six months of the year, by 30 April only 235,000—or 41% of the target—had been brought in. On its part, VGCC had imported 79,302 tons in the first four months of 1995, fulfilling 62.64% of the four-month plan. However, when cement prices increased, there was no imported cement in the North to help stabilize prices. VGCC only managed to import 187,375 tons of clinkers in the first four months of 1995, fulfilling 23.4% of the annual plan. With regard to the import of Kraft paper for the making of cement bags, none was imported in March, causing a drop in the amount of cement bagged. The Hoang Thach Cement Corporation had to store 33,7[illegible] tons of cement unbagged because of the shortage of bagging paper. For this reason it was unable to put cement on the market when the cement price crisis occurred.

The above-cited state of affairs was due to a lack of initiative on the part of the Ministries of Construction and Commerce in dealing with difficulties and entanglements so as to direct that the needed cement be imported right at the beginning of the year. After allocating the import targets, these ministries had failed to control and supervise the pace of import. Moreover, the import tax system has not been flexible enough to encourage the import of cement when necessary. Although VINACIMEX of VGCC had signed a contract for cement import, it failed to clearly specify a delivery schedule, therefore it did not receive deliveries in the amount required and at the time needed.

During the first four months of 1995, VGCC sold more than 1.7 million tons of cement, fulfilling 94.6% of the plan and almost reaching the same sale level as in the corresponding period in 1994. But in the marketing area, management was somewhat loosened and numerous shortcomings and mistakes were committed. This consisted in the reduced amount of cement shipped to key areas. Right at the beginning of 1995, the cement sector had correctly predicted that the demand for cement in Hanoi and Ho Chi Minh City would increase, but VGCC supervised this task by issuing reminders only during duty work shifts. There were some messages requesting various companies to ship cement to Hanoi and Ho Chi Minh City, but because of a lack of timely control and settlement, the cement corporation concerned had failed to scrupulously execute VGCC's delivery orders. After the Hanoi-bound cement had sharply dropped in quantity, the Hoang Thach Cement Corporation still approved an "urgent" unplanned sale of 2,410 tons. In addition, the amounts of cement delivered to some provinces adjacent to Hanoi were reduced—for example, Ha Bac and Hai Hung received 70.4% and 52.4% of their planned allocation of cement respectively—making the cement shortages in the Hanoi market more acute. On its part, the Bim Son Cement Corporation still sold 8,890 tons of cement in Thanh Hoa—this was in excess of the amount specified by VGCC's guiding plans. On 21 April, the corporation even planned to sell an additional 1,640 tons in the province. For this reason, from 21 April to 5 May, when the cement crisis heated up in the market, the amount of cement shipped to Hanoi went down by 32.2% and the cement in stock in Hanoi daily also decreased 46% compared to the amount available in the first 20 days of April. In the South, when cement prices spiraled in the Ho Chi Minh City market, the Ha Tien 1 and Ha Tien 2 Cement Corporations still approved many unplanned sales of cement to various units according to their requests.

The cement sector ships cement by rail, trucks and ships. But a number of units and drivers contracted to truck cement sold it to unauthorized buyers. For example, 18 trucks of the Ministry of Interior's Unit C27 and 39 trucks of the Ha Quang Railways Authority did not deliver a total of 770 tons of cement to the intended addressees, choosing to sell them in the outside market instead.

The issuance of bonds to raise capital at the 15% interest rate—the bonds were offered to buyers together with coupons entitling them to buy cement on a priority basis—has given rise to negative practices. Although the Finance Ministry has specified that "bond buyers are entitled to buy cement on a priority basis when they need it," VGCC advised all bond buyers that they have the right to buy cement on a priority basis. For this reason, negativism has occurred during the cement price crisis. (A person buying 500,000-dong worth of bonds and entitled to purchasing 2 tons of cement during the price crisis could make a profit of 500,000-700,000 dong while retaining his capital in full and continuing to earn interest at the 15% rate. On 8 April, VGCC asked the government for permission to increase the sale price of cement; but, two days earlier, the corporation had instructed its companies to sell cement to bond holders on a priority basis, with no questions asked. Thus, in April, during the price crisis, the Hoang Thach, Bim Son, Ha Tien 1 and Ha Tien 2 Cement Corporations sold 44,482 tons of cement to bond holders on a priority basis. If we compare the prices applied in these sales with the prices which are closer to market prices and authorized by the state, we will see that the priority sales have caused a loss of tens of billions of dong to the state.

Even the Construction Ministry leadership itself relayed to various cement corporations numerous requests from some Southern units to buy cement, resulting in the sale of more than 60,000 tons. The director general of VGCC also approved unplanned sales of 1,500 tons to the Construction Service of Binh Thuan Province. Cement corporations also approved sales of cement in large amounts according to official requests by various units. A number of ministries and provinces allocated cement purchase quotas, not in accordance with actual needs, allowing many units (including administrative and mass organizations) to buy cement for resale at a profit. Inspections conducted at 19 units belonging to the Ministries of Construction, Commerce, Agriculture and Food Industry..., and at 15 units subordinate to Thanh Hoa Province revealed that 32,084 tons of cement had been resold at a profit, and that these units had been paid 1,174 million dong in transportation fees for unperformed services. Inspectors' findings showed that a total of 92,084 tons of cement had been sold as favors throughout the country. If we compare the prices applied in these sales with the market prices, we will see that the State had lost billions of dong.

Cement retail stores have also engaged in negative practices and violated rules and regulations. In Hanoi, 58 private individuals have sold cement without a business license. A total of 192 private individuals have traded in cement by buying it from state-run stores, while VGCC has abolished all cement agents. VGCC cement outlets have committed many transgressions. For example, when the cement crisis became acute, various branch offices of VGCC still allowed their outlets to take turns closing for a rest. On the day the crisis peaked, the Hoang Thach branch office permitted 17 of its 40 stores to close for a rest, while the Bim Son branch office let 24 of its outlets stop selling cement. On 1 May, all the cement stores closed. A number of sales personnel even signed invoices on behalf of cement buyers (Store No. 5 at Nghia Do accounted for 90% of these violations). Some stores sold more cement than they were allowed to sell daily and sold more cement to each buyer than he or she was entitled to buy. Cement-handling fee vouchers did not show the signature of each payee.... These practices have bred an increase in negativism.

Causes and responsibility

Cement production in the first four months of 1995 exceeded the plan targets and increased over the same period last year. But, because of the failure to import cement according to plan and on schedule, cement supply fell short of demand. Since there were no unplanned major construction projects launched at the time, the main causes of the cement crisis were the following shortcomings and mistakes in management and administration:

The cement sector's sale management is still characterized by subsidies. On top of that, management is lax (in fact, the supply mechanism based on arbitrary consideration of requests is still maintained). This has caused artificial shortages and unauthorized resales for profit. The lax management in the cement sector is reflected in the failure to send cement to the key markets on a timely basis, giving rise to many cases of negativism among the cement industry personnel in some branches and localities. VGCC has not yet satisfactorily organized a cement retail network and brought into full play the roles of the trade service and other economic sectors in selling cement to consumers. Control and supervision of cement sales have also been neglected right in the cement sector itself, as has the sector's coordination with various services such as the public security, market management..., for this reason, the effectiveness of control and supervisory work has been limited.

VGCC bears major responsibility for allowing cement prices to increase suddenly in recent days. Specifically, it failed to ensure sufficient cement supplies to the Hanoi and Ho Chi Minh City markets. The directors and deputy directors of the Hoang Thach, Bim Son, Ha Tien 1 and Ha Tien 2 Cement Corporations are directly responsible for approving cement sales to a number of units and individuals who resold cement at a profit, and for letting branches and stores engage in negative practices. The director and deputy director in charge of imports of VINACIMEX are directly responsible for the failure to fulfill the clinker, cement, and Kraft paper import plans, which hampered cement production, bagging, and marketing. The leadership collective of VGCC, in particular its director general, who are in charge of the general direction and management of the cement sector and who allowed the aforementioned shortcomings and mistakes to occur, must assume direct responsibility for initiating the policy of selling cement on a priority basis to bond holders and issuing guidelines on priority cement sales to bond holders at a time when cement was in short supply and before proposing increasing cement prices. The VGCC deputy directors general must also bear responsibility for the domains under their charge.

The ministers of construction and commerce and the chairman of the State Price Commission themselves must bear part of the responsibility for administering the state management of cement production, import, and sale and for controlling cement prices.

On the basis of the foregoing, the State Inspection Commission has proposed that the prime minister of the government order a severe review of the managerial responsibility of the VGCC director general and the deputy director general in charge of sales, the construction minister's responsibility for state management, and the commerce minister's responsibility for the state management of cement import. On this basis, measures should be taken to deal with the persons responsible for letting cement prices increase suddenly. Concerning the director and deputy director of VINACIMEX in charge of cement import, the directors and deputy directors for marketing of the various cement corporations, and other cadres who have made mistakes, the State Inspection Commission has proposed that the VGCC director general organize a review of their shortcomings and deal with these officials in accordance with his authority. The ministers of construction, commerce, and agriculture and food industry, and the chairman of Thanh Hoa Province People's Committee should be entrusted with the task of reviewing and dealing with the illegal sales of cement for profit in accordance with their authority. All the profits gained from the sale of cement at prices that are different from those applied as of 6 May 1995 as stipulated by Memorandum No. 357/VGCP-TLSX of the State Price Commission should be collected for the state budget. All the illegitimate profits resulting from price differential in cement sales should be collected for the state budget, or penalties should be imposed according to the current rules, and regulations and taxes should be fully collected from hidden income.

Studies should be continued to improve the organization of the management of the cement sector.

Australia

Another Businessman Jailed in China

LD1101161896 Melbourne Radio Australia in English 0830 GMT 11 Jan 96

[FBIS Transcribed Excerpt] Questions about China's rule of law have again been raised with the revelation that a second Australian-Chinese businessman has been convicted in China after being detained without trial for nearly two years. Radio Australia has confirmed that the Australian passport-holder has been convicted and sentenced to seven years' jail. Beijing correspondent Camille Funnell:

[Funnell] Two days after Christmas the fate of another Australian businessman operating in China was sealed. A southern Chinese court sentenced the man to seven years in jail after finding him guilty of fraud. The charges relate to obtaining money by deception. The Australian businessman was accused and convicted of racketeering.

The Chinese-Australian businessman now faces five years behind bars in China before he is put on a plane and deported to Australia. Like the much publicized case of another Australian citizen, Chinese-born James Peng [who was sentenced in September], the latest Australian businessman to run up against the law in China spent two years in China awaiting a verdict. [passage omitted]

A third Australian businessman of Chinese origin also spent some months behind bars in China last year before his case was finally resolved and he returned to Australia in May. Unlike the case of James Peng, the cases of the two other ethnic Chinese Australian citizens have not attracted publicity. The men and their families have not wanted their identities revealed. And while the family of James Peng have mounted a strong campaign calling for action from Canberra, the family of the latest Australian businessman to be jailed have preferred to take a low-key approach, although Australian officials in China have visited the detained businessman.

Singapore's Goh Supports ASEAN Membership

LD1501094996 Melbourne Radio Australia in English 0800 GMT 15 Jan 96

[FBIS Transcribed Text] Singapore's prime minister, Goh Chok Tong, is reported to have given qualified support to Australia joining the Association of Southeast Asian Nations, ASEAN. In an interview with the AUSTRALIAN FINANCIAL REVIEW newspaper, Mr. Goh said Australian membership of ASEAN was an idea which should be debated.

Mr. Goh's remarks were published only hours before the Australian prime minister, Paul Keating, left Canberra for a three-day visit to Malaysia and Singapore. The Singapore prime minister said he saw Australia playing an important role in ASEAN and would like to encourage Australia to do so. He said both Australia and New Zealand were small enough countries to be considered one day as possible members of the grouping. Mr. Goh's remarks are seen as significantly different from those of his ASEAN colleagues, notably Malaysia's prime minister, Mahathir bin Mohamed, who has discounted Australian membership of ASEAN.

Meanwhile, Mr. Keating was forced to change planes in the northern Australian city of Darwin because of a cracked windscreen on the Australian Air Force aircraft he had been on. He transferred to a charter plane for the flight to Kuala Lumpur, where he arrived a short time ago.

Minister: Hashimoto 'Great Plus' for APEC

BK1201070696 Melbourne Radio Australia in English 0500 GMT 12 Jan 96

[FBIS Transcribed Text] Australia's trade minister, Bob McMullan, says the election of Ryutaro Hashimoto as Japan's prime minister is a great plus for APEC, the Asia-Pacific Economic Cooperation forum. Senator McMullan has rejected claims that Mr. Hashimoto could jolt APEC and Australia's regional relationships by favoring the rival Malaysian proposal for an Asian-only trade group, the East Asia Economic Caucus. Sen. McMullan says Mr. Hashimoto has made an enormous contribution to APEC and he will be Japan's most effective advocate yet in the forum.

Impact on Trade Relationship With Tokyo Viewed

BK1201110496 Melbourne Radio Australia in English 0630 GMT 12 Jan 96

[From the "International Report" program]

[FBIS Transcribed Text] There are fears in Australia that the close trade relationship with Japan could receive an unwelcome jolt with the election of the new Japanese prime minister, Ryutaro Hashimoto.

One major question arising for Mr. Hashimoto's election is whether or not he will be more supportive than his predecessor of Malaysia's proposal for an Asia-only trade grouping. So far, Japan's refusal to join the East Asia Economic Caucus [EAEC] has meant Malaysia has been unable to get the group off the ground. But, as John Shovelan reports, Mr. Hashimoto has already shown signs of being positively disposed towards the Malaysian trade club, which would exclude Australia.

[Begin Shovelan recording] Prime Minister Paul Keating will feel far more at ease alongside the new Japanese prime minister, Ryutaro Hashimoto, than he ever felt alongside the socialist Tomiichi Murayama. In fact, there was that one issue on which the Japanese socialists and the Australian Government saw eye-to-eye: the war and the necessity for Japan to show genuine remorse.

Prime Minister Hashimoto, a conservative liberal democrat, retains no such guilt. Quite the reverse. He is on the record questioning if Japan was indeed the aggressor in the war. He is an unpopular political loner, sharp tongue, and temperamental nationalist. His favorite karaoke bar song is: "If I Could Only Play the Piano".

The Chinese public prosecutor's office this week described the Japanese prime minister as a relentless hardliner. The NEW YORK TIMES warned he has a streak of nationalism, which could rattle nerves in Asia but maybe not all Asian nerves. Malaysian Prime Minister Dr. Mahathir, frustrated by the Murayama administration, will find a more receptive ear to his Asians-only trade grouping, the East Asia Economic Caucus. It's this which could rock Australia's trouble-free bilateral relationship with Tokyo and spoil the match made in heaven between Paul Keating and the new Japanese leader. Hashimoto has already appeared positive towards EAEC, attending a meeting of East Asian trade ministers during the Osaka APEC [Asia-Pacific Economic Cooperation] Summit. As prime minister, he intends shifting the focus of his administration toward Asia.

Canberra and Washington will be nervously watching to see if his cabinet is more supportive of the Mahathir-inspired, racially-based East Asian Caucus than the previous Japanese Government. Making the prospect even more uncomfortable for the Keating government is the unfortunate coincidence of a more pro-Asian nationalist leader in a year where Tokyo has no responsibility to chair the Asia-Pacific trade grouping. Last year, Japan's obligation as chair of the APEC summit weighed heavily to Tokyo and didn't permit the government to flirt with EAEC. Mr. Hashimoto's election has put more wind in Dr. Mahathir's sails and raise hopes the economic power house of East Asia may yet join his exclusive trade caucus. [end recording]

Defense Force Streamlines Command Structure

LD1501113096 Melbourne Radio Australia in English 0900 GMT 15 Jan 96

[FBIS Transcribed Text] Australia's Defense Force is streamlining its command structure but has stopped short of combining the three services, the Army, Navy, and Air Force. The defense chief, General John Baker, says the three services' chiefs will share one headquarters and the command structure will be simpler. Stuart Heather reports that the restructuring aims to make the Defense Force more prepared for any hostilities.

[Heather] General Baker says the force will be more ready strategically and operationally.

[Begin Baker recording] We have too many headquarters. We can get by with less; we need a clear, simple operational command chain that everybody understands; and thirdly, we need that ability to move from peace to war without significant changes in our command and management arrangements. [end recording]

[Heather] One hundred and fifty million Australian dollars will be spent on high-technology support services, such as computer systems. While the three service chiefs come together in a new management headquarters, a new Australian theater headquarters will be built at a cost of $100 million to direct defense operations in Australia's vicinity. General Baker says the new force structure will be identical in times of both peace and war.

New Zealand

McKinnon Says East Timorese To Go to Portugal

BK1401092396 Melbourne Radio Australia in English 0500 GMT 14 Jan 96

[FBIS Transcribed Text] New Zealand's foreign minister, Don McKinnon, has said the five East Timorese, who entered the country's embassy in Jakarta on Friday [12 January], have agreed to go to Portugal. He confirmed that while requests were originally made for asylum in New Zealand, the five had readily agreed to go to Portugal. He said Portugal had agreed to accept the group and that is now up to the International Red Cross to arrange to fly them out. The foreign minister added that he hoped the details would be concluded early this week.

Envoy to Philippines To Remain Despite Threats

BK1501022196 Christchurch THE PRESS in English 11 Jan 96

[Report by Jeremy Kirk — received via Internet]

[FBIS Transcribed Text] Consideration was given to recalling New Zealand's ambassador to the Philippines, Colin Bell, after his name was found on a terrorist hit list but Mr Bell preferred to stay, the Ministry of Foreign Affairs and Trade says.

Ministry spokesman Win Cochrane said yesterday a range of options was considered when the alleged plot to kill Mr Bell was reported to the Ministry two or three months ago, but Mr Bell "did not feel the need to come home." There are four staff in the Philippines embassy: Mr Bell, first secretaries Tim McIvor and Brian Chippindale, and an attache, Pauline Pullen. Their families have remained in Manila.

Mr Bell said yesterday the threat was being taken seriously. "We have responded appropriately to ensure that we minimise any risk to embassy staff, embassy property or to myself. But then one must not allow that to interfere with getting on with the job.

"In the diplomatic service there are likely to be occasions when people will be working in areas where there is danger and you are trained to know how to cope with danger and respond so you can still continue to do your job effectively and that is what we are doing here."

Philippines police are on the trail of five members of a radical Islamic group who allegedly had Mr Bell's name and those of ambassadors for Australia, Britain, and Spain on the hit list.

The leader of group, called Hezbul Dawah Al Islamiah (Islamic Preaching Group) and five other suspects, eluded a police dragnet that has nabbed 35 suspected terrorists since November. The group has been linked to the bombing of the World Trade Centre in 1993.

Mr Cochrane said that New Zealanders planning to visit the Philippines faced no greater risks because of the alleged plot. "It is an allegation against a specific individual, not against a country or its people. We do not assess that the situation of New Zealand or New Zealanders is any different now than before. We do not assess any greater risk."

Foreign Affairs Minister Don McKinnon said yesterday there were still concerns about the safety of New Zealand embassy staff as the Islamic group was regarded as extremist. However, Mr McKinnon said it was unusual for a New Zealand ambassador to be targeted and did not regard the threat as one against Mr Bell personally. He would not be drawn on the possible motive.

Editorial Views Alleged Plot Against Envoy

BK1501035496 Christchurch THE PRESS in English 11 Jan 96

[Editorial: "Plot Against Envoy" — received via Internet]

[FBIS Transcribed Text] The alleged assassination plot in the Philippines in which the New Zealand Ambassador, Colin Bell, was one of four ambassadors said to be targets has to be taken seriously. The plot seems to be directed against the Ramos Government rather than against New Zealand. Other New Zealanders are not likely to be in danger from groups within the Philippines. No evidence has been produced that any group has something against New Zealand specifically.

Also said to be targets are the ambassadors of Britain, Spain, and Australia. No obvious link exists among the four. New Zealand and Australia are members of the Asia-Pacific Economic Co-operation [APEC] forum in which the Philippines is playing a key role this year, but Britain and Spain are not. The four were more likely chosen for reasons which had nothing much to do with the countries which they represent.

The Philippines has three internal sources of trouble. One comes from the long-standing Muslim separatist movement based in the southern island of Mindanao. Another is a general law-and-order problem. A third is the Communist movement, including its military wing, the New People's Army. The separatist movement has split. The mainstream Moro National Liberation Front [MNLF] has been negotiating with the Government towards a peace settlement. Breakaway elements of the MNLF, including a group that broke away in the 1970s, the Moro Islamic Liberation Front, have engaged in terrorism, sometimes with extremist Islamic groups from outside the Philippines. The separate law-and-order problem has entailed kidnapping and general crime on a large scale. Philippines Communists are far fewer than they have been. A recent estimate of the membership of the New People's Army is that it had 8000 people in 1995, compared with 18,000 in 1992.

The activities of these groups are not to be taken lightly, but do not represent a united force against the government of President Fidel Ramos, except in so far as their actions embarrass the Government. Last year, for example, a Muslim terrorist band and breakaway elements from the MNLF raided Ipil, a major trading town in Mindanao, burning the commercial centre and killing 57 people. The Moro Islamic Liberation Front also clashed with the military and forced the Government to abandon a huge irrigation project. In Manila and in Mindanao 105 kidnap-for-ransom incidents were recorded in the first nine months of last year. Communist insurgency, once a considerable threat to the stability of the Philippines, has decreased considerably. In part this is because of internal disputes, which have been encouraged by the Philippines military intelligence organisation.

The alleged plot against Mr Bell and the other ambassadors is said to be the work of some Islamic extremist groups. Whether it was directly connected with APEC is uncertain. Probably it is. Had such a plot succeeded it would have damaged the international standing of President Ramos and helped to destabilise the Government. Because the Philippines is chairman of APEC this year it is likely that APEC meetings will be the focus of attention against the Ramos Government.

Some wide-ranging comments have been made about the group involved in the alleged plot: some connecting the group to an attempt to kill Pope John Paul II during his visit to Manila last January, to the bombing of a Philippines airliner in Japan during 1994, and to the attack on the World Trade Centre in New York in 1993. Such connections are hard to substantiate, but more might come out in court trials this year. About 35 alleged Islamic militants were arrested last year and are suspected of being involved in plots to disrupt the APEC meetings this year.

Although poverty has been the traditional breeding ground for unrest, the economic success of the Ramos Government might itself have prompted some of the attacks or plots. The very open nature of Philippines democracy makes it easier for terrorists to act. As the strength of the Philippines economy increases — it has been growing about 6 per cent a year — the motive to undermine the Ramos Government also increases. President Ramos is now more than half-way through his six-year term. For a while there were suspicions that he wanted to manipulate the political system so that he could extend his term, but he has given many assurances that he will go when the election is held in 1998. He will need to be believed on that point to continue to have public backing for actions against terrorists and criminals.

Tonga

King Appoints New Police, Immigration Minister

BK1201043596 Hong Kong AFP in English 0403 GMT 12 Jan 96

[FBIS Transcribed Text] Nuku'alofa, Jan 12 (AFP) — An outspoken pro-monarchist lawyer, Clive Edwards, was Friday named as Tonga's new police and immigration minister, taking over from the controversial 'Akau'ola who died last month, the prime minister's office said in a statement Friday.

Edward's appointment, made by King Taufa'ahau Tupou IV, is for a life term. He becomes an honorary noble.

He had been contesting for a commoner's seat in the Legislative Assembly in general elections scheduled for January 25.

Edwards has been a practicing lawyer in New Zealand for the past 30 years, but has increasingly spent more time here conducting civil cases for the state.

He led the state's defence against pro-democracy commoner MP 'Akilisi Pohiva and has spoken out in favour of continuing the royal-dominated political system here.

'Akau'ola combined his ministerial role with that of hangman after police officers declined to carry out the duty in the past. There are no prisoners facing death sentences at the moment.

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